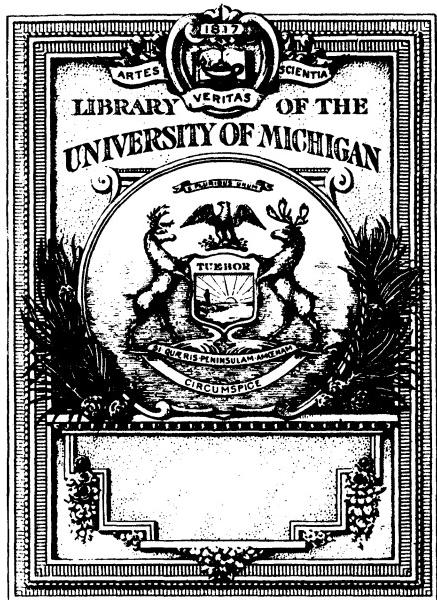


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FIRST EDITION

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# Introduction

**I**N THE perspective of history we can see now, almost a decade later, that the Axis' great tactical success at Pearl Harbor on December 7, 1941, was a strategic failure. For nothing could have been worse for the Axis cause, in the long run, than to force America into the war—as the attack was, of course, intended to do.

The comfort of such historical perspective, however, was not available on January 1, 1942—as Franklin D. Roosevelt embarked on the second year of his third term. However hopeful President Roosevelt and all Americans were of ultimate victory, the outcome in 1942 seemed uncertain. He knew that 1942 was the critical year. He knew that if the United States could hold in the Pacific, if her supply lines could be kept open, if Russia could hold back the Nazis from the heart of its country, if the Allies could survive the year and begin to gather their strength, ultimate victory would be inevitable. But the "ifs" were many, and large; and in that critical year, victory was in balance. The great task of leadership which confronted Roosevelt in 1942 was to see that that balance was maintained while strength could be gathered by the United Nations to take the offensive.

In 1942 this great responsibility of leadership had many facets, some more dramatic than others but each as important, and each interdependent with the others. They were like the stones in the arch of a bridge; if one were to loosen, the whole structure would be threatened.

The first responsibility of the President related to the military aspects of the war. In much more than name, Franklin D. Roosevelt was the Commander in Chief. President Roosevelt's part in planning military strategy was active and important. Particularly when differences of opinion arose among his chiefs of staff, the President's role was often decisive.

Of course, the President's public papers and addresses can reflect this aspect of his leadership only very dimly. Although he was able to promise that attacks and offensives would come,

## *Introduction*

he obviously could not discuss strategy and military decisions publicly in any specific manner until they had been translated into action.

One notable exception to this general rule of silence on military strategy involved the fundamental problem which became acute with the Jap attack on Pearl Harbor, and even more acute with the crushing defeats which rapidly followed in the Pacific. The problem had been considered and, so far as the United States was concerned, settled even before Pearl Harbor. It was the problem of how best to allocate the resources of the United States in its opposition all over the world against aggression. It arose continuously during the long course of our negotiations with the Japs in 1940 and 1941, even before the war. Decision had to be made whether the great bulk of United States strength should be used primarily against Hitler or kept in the Pacific to oppose the Japs. For example, should we, in the summer of 1941, have kept all our fleet in the Pacific; or should we have moved parts of it to the Atlantic to fight the Nazi submarines? There was not enough to cover both completely. The decision had already been made by our Government — before Pearl Harbor — that the first target of our production of weapons had to be the Nazis. After Pearl Harbor it became one great job of the President to convince the American people of the logic and wisdom of that course.

In the conferences with Churchill following Pearl Harbor there was clear agreement on that subject. Great attention and serious planning were devoted to the affairs in the Pacific — where the situation was dangerously and immediately critical. But the principle already established in American strategy was religiously adhered to — the European theater was to be the decisive one. Primary emphasis was to be placed on the war with Hitler, and there was to be a holding, defensive, and delaying action in the Pacific until we were strong enough to take the offensive. For Hitler's capacity to produce ships and tanks and guns had to be destroyed if the war was to be ended quickly; Japan's capacity was only a fraction of that of Hitler who had

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all the factories and shipyards and slave labor of the Continent of Europe working for him. Furthermore, the British Isles furnished an excellent base for air and amphibious cross-channel invasion of Nazi-held territory — whereas the Far East area presented far more serious problems in lengthy supply lines and inadequate bases.

Today, in retrospect, the problem hardly seems difficult; the course seems quite obvious. It was obvious to President Roosevelt back in 1942 — but in 1942 not all Americans agreed with him. There were many who insisted that the Japanese were the “real enemy,” that it was toward the Pacific that all our energies should be devoted. And there were still others — unreconstructed isolationists — who argued that all our ships, all our men, all our weapons and material should be brought back and kept in the United States. They would be needed here for defense, when the attack came upon us.

On this fundamental strategic issue, the President, in consultation with Churchill and the military leaders of both Nations, did not waver. In speeches and action, he soon indicated the course of the decision. As early as his State of the Union Address, one month after Pearl Harbor, the President said that the enemy had failed in its intent at Pearl Harbor to “terrify us to such an extent that we would divert our industrial and military strength to the Pacific area or even to our continental defense.” And in the same address, the President adverted to the “difficult choices” which had to be made — choices which included the hard decision not to try “to relieve the heroic and historic defenders of Wake Island . . . not to be able to land a million men in a thousand ships in the Philippine Islands.”

But, in general, the President’s role as military leader is not reflected in his public words set forth in this volume. Other aspects of leadership, closely related to the military, are, however, reflected — those aspects in which leadership is exercised by words and action rather than in secret planning.

One of the most important was that of uniting the Allies into an integrated fighting force for the war and for the peace to

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follow. In his public addresses in 1942, as he led in moulding the twenty-six Nations fighting the dictatorships into a United Nations, he seldom failed to stress the growing spirit of unity among them, and how essential it was to final victory and lasting peace.

Roosevelt, along with Churchill, became the leading spokesman in psychological warfare — in the important battle of propaganda — designed to weaken the fiber of the enemy and to strengthen the hearts and hopes of our Allies and of the resistance forces in the conquered countries.

Many of the President's speeches were primarily intended for these purposes, and few, if any, failed to devote some time and attention to them: the promise of heavy attacks by land, sea and air, the statement of inevitable victory, the message of hope and cheer and faith to the people in the occupied countries, the triumphant recital of American production figures, the prospect of human freedoms throughout the postwar world — all these found expression in his words of leadership. They were broadcast and rebroadcast throughout the world; they were put in leaflets which were dropped everywhere. Many of the words in this volume, devoted to that type of propaganda, played no small part in gaining the ultimate victory.

Roosevelt was not always content to rely on words for propaganda. Actions spoke louder — and spoke in all languages at once. The greatest of the propaganda exploits in the dark days of 1942 was the first bomber raid over Tokyo, led by Colonel (later General) James H. Doolittle from the naval aircraft carrier *Hornet*. That feat was particularly the project of the President, who knew what a powerful effect on morale it would have on our enemies and on our friends. And both effects were sorely needed in those days!

Hand in hand with his responsibilities as a military leader and as a world spokesman for the United Nations went responsibility as the war leader on the home front. And this responsibility, in turn, was as complex as it was enormous. It involved the task of maintaining a strong America at home — strong in morale,

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strong in production, strong in its economic structure. Weakness at any point at home might mean disaster and loss of life thousands of miles away. The documents in this volume show how the President discharged this less glamorous but more controversial responsibility of leadership at home.

In the pages which follow are the orders which established many of the new great war agencies. Many of their powers of control were unprecedented in our history; yet they soon became accepted as part of our daily lives: the War Labor Board, the War Production Board, the War Shipping Administration, the National Housing Agency, the Alien Property Custodian, the War Relocation Authority, the War Manpower Commission, the Office of War Information, the Office of Strategic Services, the Office of Economic Stabilization, and the Petroleum Administration for War. There are also reflected, in these pages, some of the administrative difficulties which faced the President as the war placed its stresses and strains on a democracy which had to move suddenly and swiftly along unfamiliar paths.

The maintenance of morale in the American people at home in 1942 was no mean job of leadership. Never since the Revolution had the United States faced so bitter a series of military defeats. We could have rendered no greater service for the enemy if, in the face of these disasters, we had succumbed to defeatism. On the other hand, the long history of American victories in past wars and the natural American trait of superb self-confidence had led many Americans, even in early 1942, to feel sure that we could beat the Germans and the Japs without even trying.

Therefore, the President, in dealing with this problem of morale, had an eggshell path to tread. On the one hand, Americans had to realize the gravity of the war situation; on the other hand, they could not afford to submit to defeatism. Morale in 1942 meant two things: facing up to the serious danger of defeat, and not allowing that danger to impair our confidence in ultimate victory.

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The President did not try to minimize the defeats which we were suffering. He was brutally candid about Pearl Harbor; he was unsparingly explicit about our setbacks in the Pacific. In one of his most effective fireside chats, reporting to the people on the progress of the war on February 23, 1942, he compared America's situation on that date with her situation in the days of Valley Forge.

He painted General Washington's conduct in those hard times as a model for Americans ever since, and especially for the Americans of 1942 — "a model of moral stamina" — stamina in the face of the enemy but also stamina in the face of fearful, selfish men who said that his cause was hopeless and that he should seek a negotiated peace. These times like those, he said, "are the times that try men's souls." But the Americans in 1776 who condemned "the summer soldier and the sunshine patriot," who realized that "tyranny, like hell, is not easily conquered," spoke the same kind of language as the Americans of today. And the American fighting men of today, he pointed out, are living up to the great traditions of the best fighting men of the American past.

While the President could speak little in 1942 of victories — because there were few — he could, and he did, tell of the magnificent heroism of American fighting men. These were tales which stirred the Nation, and spurred on the men and women in the factories at home to greater efforts of production. And in every speech there was the recurrent note of deep faith in ultimate victory some day, some place — not just blind faith, but reasoned and calculated confidence. It was confidence based upon a comparison of the resources and population and productive capacity of both sides in the war, a confidence based also upon the great spiritual strength of free men engaged in a struggle for survival against tyrants and dictators.

The President was able to impart that feeling of calm confidence to the military and civilian leaders about him. Countless men, in and out of the government, have testified to the new confidence which they would experience after talking with him

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in the White House. These leaders in turn radiated the confidence of the President when acting in their own fields of responsibility — commanding armies or fleets, directing war agencies, running unions, or managing war production plants.

Closely bound up with the question of morale at home was the factor on which our fighting men — and our Allies' fighting men — depended for their lives: the all-important matter of production. Indeed it was at home that morale had its greatest importance, for there it could be translated into war production. All-out production was the all-important goal of 1942; in his public papers and addresses throughout this year it was emphasized and reemphasized by the President. In turn, our success on the production lines furnished one of the strongest items of propaganda which the President could use. He used it against the Axis; he also used it to bolster up our Allies and to hearten the gallant forces of resistance in the occupied countries.

The President had faith in the productive energy of America. Over eighteen months before Pearl Harbor, in the face of scornful comments by short-sighted people, he had boldly called for the production of 50,000 planes a year. Now, in 1942, the President proclaimed newer and higher goals which provided the greatest production challenge this country had ever seen. After receiving the estimates of his military and production advisers, the President told his advisers to "go back and sharpen your pencils." He then personally raised the new estimates, and announced them in his State of the Union Message on January 6, 1942. His critics and many of his supporters sincerely believed that these production figures were far beyond the realm of possibility. Yet the President raised the sights of America, instilled through his leadership a new and determined spirit, and led American industry on to achieve and, in some cases, surpass these goals.

Morale and high production, however — and victory itself — depended to a great extent upon a strong American economy. As the unprecedented military demands for goods and services grew, and as the supplies for civilians became shorter, the danger of inflation grew worse. Of course, everyone wanted to win the

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war; and everyone was against inflation. But there was a marked tendency among some Americans to be against inflation the easy way — to be against inflation for the other fellow.

These battle fronts at home — morale, production, and stabilization — were never lost sight of in the major speeches or messages in this volume. Indeed they were never separated into different compartments from the actual fighting fronts. The President always painted them as a very part of the fighting fronts, emphasizing the interdependence of them all, and the need for success in each in order to insure success in the others.

His most difficult — certainly his most unpopular — job of leadership at home in the war was against the ever-present threat of inflation. There were tremendous pressures against stabilization and for "just a little inflation." These pressures came from different groups, each with great political power. Their combined political strength made the task of the President politically dangerous and almost impossible of success.

A lesser man might have compromised and lost. Franklin D. Roosevelt, in the face of the most bitter opposition, was stubborn and determined — and won. No single subject is treated more often, more fully, or more insistently in this volume than stabilization. The President knew how deeply military production and victory depended upon victory against runaway prices, and he never let up for an instant.

The farm leaders and the Congressional farm bloc were against adequate price control for farm products, and were battling for prices in excess of parity. Labor leaders were against fixed wage ceilings, although the overwhelming majority were ready to abide voluntarily by the decisions of the War Labor Board. One or two labor leaders were even willing to call strikes in vital war industries to force wages above those recommended by the War Labor Board. There were chisellers who violated price and ration regulations. High-salaried executives fought the President's efforts to put a limit on salaries at \$25,000 after taxes, and finally got the Congress to forbid the ceiling.

It was a continuous struggle against these and other forces.

## *Introduction*

Roosevelt had to reason, to cajole, to threaten — and even to veto.

The President's central strategy was to bring the various segments of the economy into balance. He knew that the worker would not consent to a curb on wages as long as his cost of living was going up and the farmer might be profiting by run-away food prices. By bringing both wages and farm prices into line, the President achieved the objectives of stabilization.

Of course, as always, his great ally in this fight was the American people. He had to convince that ally that the cause was right. And he did.

Typical of the methods used to keep that ally always on his side was his fireside chat of April 28. The speech was designed to explain to the American people the seven-point program which he had submitted to the Congress the day before — a program which he knew was going to be as distasteful to many Americans as it was imperative to civilization.

In simple terms, he placed the battle of inflation in its true perspective in the whole war for survival. He told of the difficulties which lay ahead before military victory could be ours. He emphasized the global nature of the war. He frankly described our military losses and how serious the situation was. And then he explained his stabilization program. He explained it in such everyday terms that all Americans could understand it. He made them understand how every man, woman, and child was a part of the fight against inflation, and would be every day for the duration of the war. He told stories of individual heroism on the battle fronts. And he brought home afresh the lesson that, if the war were to be won, the sacrifices made by our military men had to be matched by the smaller sacrifices the Government was asking of civilians.

The speeches and messages in this volume are the words of a war leader in a world-wide war. They were spoken in a year which began with bitter defeat and humiliation, and which ended with only slight glimmerings of victory. It was a year in which civilization itself seemed to hang in the balance, and not

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until year's end could there be any more than a hope of final victory.

There was one voice which spoke more loudly than all others in the world — because it was backed up by the courage, stamina, and determination of a free, intelligent, and strong Nation. It was a voice to which freedom-loving men and women all over the world turned to listen, so that they might take heart and spirit and fortitude from the great American people on whose behalf it spoke. The year 1942 provided perhaps the greatest challenges, the hardest trials, the worst problems which the President was ever called upon to meet.

A handwritten signature in cursive script, appearing to read "Samuel Rosenman". The signature is fluid and expressive, with varying line thicknesses and ink saturation.

New York, N. Y.

July 14, 1949

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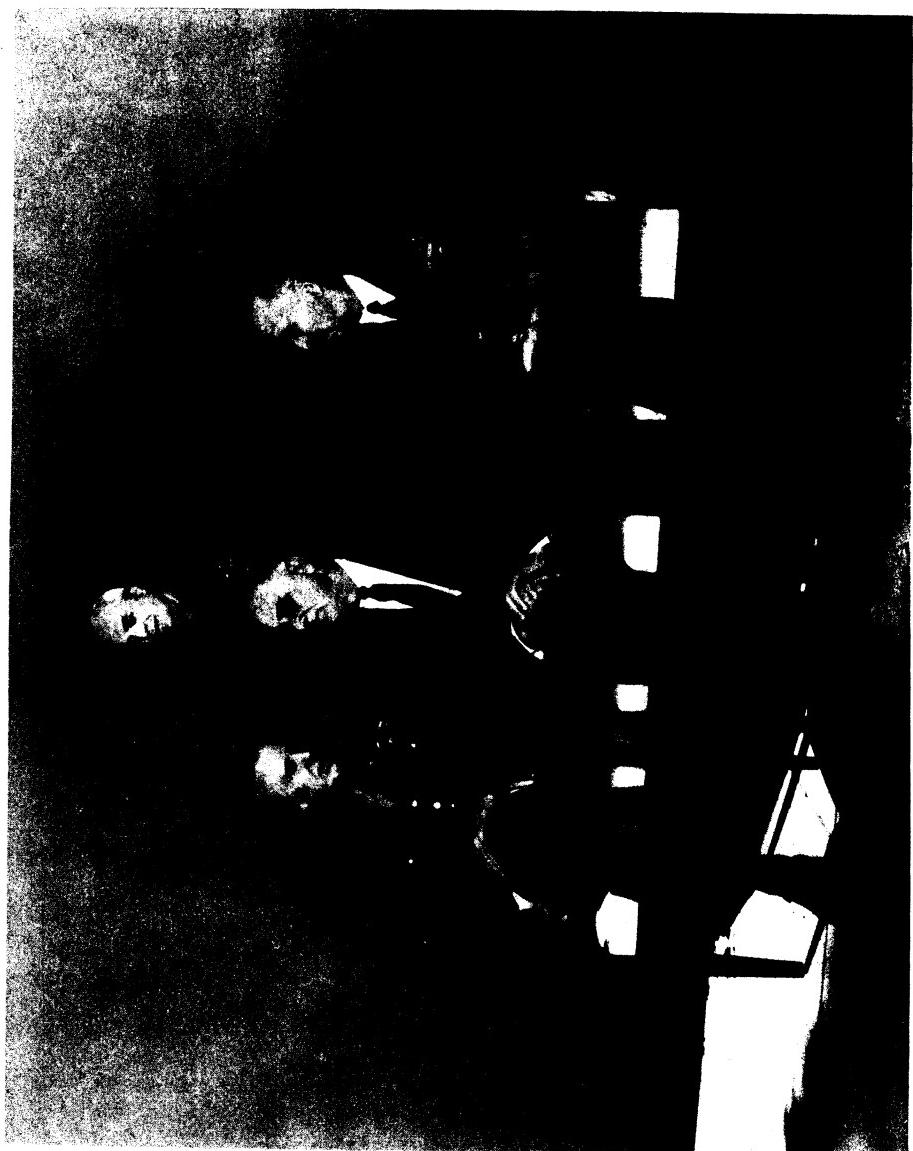
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*U.S. Army Photograph*

THE PRESIDENT AND HIS CHIEFS OF STAFF, 1942





# Humanity on the Defensive



*i. Joint Declaration of United Nations*

**1 ¶Joint Declaration of the United Nations  
Pledging Cooperation for Victory.**

**January 1, 1942**

***DECLARATION BY UNITED NATIONS:***

**A JOINT DECLARATION BY THE UNITED STATES OF AMERICA, THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, THE UNION OF SOVIET SOCIALIST REPUBLICS, CHINA, AUSTRALIA, BELGIUM, CANADA, COSTA RICA, CUBA, CZECHOSLOVAKIA, DOMINICAN REPUBLIC, EL SALVADOR, GREECE, GUATEMALA, HAITI, HONDURAS, INDIA, LUXEMBOURG, NETHERLANDS, NEW ZEALAND, NICARAGUA, NORWAY, PANAMA, POLAND, SOUTH AFRICA, YUGOSLAVIA.**

**T**HE Governments signatory hereto,

Having subscribed to a common program of purposes and principles embodied in the Joint Declaration of the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland dated August 14, 1941, known as the Atlantic Charter,

Being convinced that complete victory over their enemies is essential to defend life, liberty, independence, and religious freedom, and to preserve human rights and justice in their own lands as well as in other lands, and that they are now engaged in a common struggle against savage and brutal forces seeking to subjugate the world, DECLARE:

(1) Each Government pledges itself to employ its full resources, military or economic, against those members of the Tripartite Pact and its adherents with which such Government is at war.

(2) Each Government pledges itself to cooperate with the

## *1. Joint Declaration of United Nations*

Governments signatory hereto and not to make a separate armistice or peace with the enemies.

The foregoing declaration may be adhered to by other Nations which are, or which may be, rendering material assistance and contributions in the struggle for victory over Hitlerism.

*Done at Washington*

*January First, 1942*

The United States of America

*by Franklin D. Roosevelt*

The United Kingdom of Great Britain & Northern Ireland

*by Winston Churchill*

On behalf of the Government of the Union of Soviet Socialist Republics

*Maxim Litvinoff,*

Ambassador

National Government of the Republic of China

*Tse Vung Soong, Minister for Foreign Affairs*

The Commonwealth of Australia

*by R. G. Casey*

The Kingdom of Belgium

*by Cte R.v.d. Straten*

Canada

*by Leighton McCarthy*

The Republic of Costa Rica

*by Luis Fernandez*

The Republic of Cuba

*by Aurelio F. Concheso*

Czechoslovak Republic

*by V. S. Hurban*

The Dominican Republic

*by J. M. Troncoso*

The Republic of El Salvador

*by C. A. Alfaro*

The Kingdom of Greece

*by Cimon P. Diamantopoulos*

The Republic of Guatemala

*by Enrique Lopez-Herrarte*

The Grand Duchy of Luxembourg

*by Hugues Le Gallais*

The Kingdom of the Netherlands

*Al Loudon*

Signed on behalf of the Govt. of the Dominion of New Zealand

*by Frank Langstone*

The Republic of Nicaragua

*by Leon DeBayle*

The Kingdom of Norway

*by W. Munthe de Morgenstierne*

The Republic of Panama

*by Jaen Guardia*

The Republic of Poland

*by Jan Ciechanowski*

## *2. Discharging of Loyal Aliens Condemned*

*La Republique d'Haiti*

*par Fernand Dennis*

*The Republic of Honduras*

*by Julian R. Caceres*

*India*

*Girja Shankar Bajpai*

**NOTE:** The foregoing Declaration was one of the chief products of the Arcadia Conference between the President and Churchill and their staffs (see Items 139, 144, and notes, 1941 volume), and it was signed by 26 Allied Nations in a ceremony at the White House on New Year's Day, 1942. The formulation of such a statement of principles was designed to bind the United Nations into a firm coalition, and it served this purpose although it was enunciated at a time when the military and naval fortunes of the Allies were at a low ebb.

On December 29, 1941, Churchill

*The Union of South Africa*

*by Ralph W. Close*

*The Kingdom of Yugoslavia*

*by Constantin A. Fotitch*

left Washington for Canada, but not before agreeing with the President on the text of the final Declaration. There ensued some hasty cabling back and forth between the representatives of the 24 other Nations and their home Governments, but complete agreement was reached in time for the New Year's Day ceremony of signing the Declaration. The President made the last change in the Declaration when he substituted his own phrase "United Nations" for the words "Associated Powers" which had originally been used to describe the Allies.

## **2 ¶ The President Condemns Discharging Loyal Aliens from Jobs. January 2, 1942**

I AM DEEPLY concerned over the increasing number of reports of employers discharging workers who happen to be aliens or even foreign-born citizens. This is a very serious matter. It is one thing to safeguard American industry, and particularly defense industry, against sabotage; but it is very much another to throw out of work honest and loyal people who, except for the accident of birth, are sincerely patriotic.

Such a policy is as stupid as it is unjust, and on both counts it plays into the hands of the enemies of American democracy. By discharging loyal, efficient workers simply because they were

### *3. The Annual Budget Message*

born abroad or because they have "foreign-sounding" names or by refusing to employ such men and women, employers are engendering the very distrust and disunity on which our enemies are counting to defeat us.

Remember the Nazi technique: "Pit race against race, religion against religion, prejudice against prejudice. Divide and conquer!"

We must not let that happen here. We must not forget what we are defending: liberty, decency, justice. We cannot afford the economic waste of services of all loyal and patriotic citizens and non-citizens in defending our land and our liberties.

I urge all private employers to adopt a sane policy regarding aliens and foreign-born citizens, and to remember that the sons of the "foreigners" they discharged may be among those who fought and are fighting so valiantly at Pearl Harbor or in the Philippines.

There is no law providing against employment of aliens except in special defense work of a secret nature, and even in such work the employer may hire an alien with the permission of the Army or Navy, depending on the contract.

## **3 ¶ The Annual Budget Message.**

**January 5, 1942**

*To the Congress:*

I AM SUBMITTING herewith the Budget of the United States for the fiscal year ending June 30, 1943. It is the budget of a Nation at war in a world at war.

In practical terms the Budget meets the challenge of the Axis powers. We must provide the funds to man and equip our fighting forces. We must provide the funds for the organization of our resources. We must provide the funds to continue our role as the Arsenal of Democracy.

Powerful enemies must be outfought and outproduced. Vic-

### *3. The Annual Budget Message*

tory depends on the courage, skill, and devotion of the men in the American, British, Russian, Chinese, and Dutch forces, and of the others who join hands with us in the fight for freedom. But victory also depends upon efforts behind the lines — in the mines, in the shops, on the farms.

We cannot outfight our enemies unless, at the same time, we outproduce our enemies. It is not enough to turn out just a few more planes, a few more tanks, a few more guns, a few more ships, than can be turned out by our enemies. We must outproduce them overwhelmingly, so that there can be no question of our ability to provide a crushing superiority of equipment in any theater of the world war.

And we shall succeed. A system of free enterprise is more effective than an "order" of concentration camps. The struggle for liberty first made us a Nation. The vitality, strength, and adaptability of a social order built on freedom and individual responsibility will again triumph.

## THE WAR PROGRAM

Our present war program was preceded by a defense effort which began as we emerged from the long depression. During the past eighteen months we laid the foundation for a huge armament program. At the same time industry provided ample consumers' goods for a rapidly growing number of workers. Hundreds of thousands of new homes were constructed; the production of consumers' durable goods broke all records. The industrial plant and equipment of the country were overhauled and expanded.

Adjustment to a war program can now be made with greater speed and less hardship. The country is better stocked with durable goods. Our factories are better equipped to carry the new production load. The larger national income facilitates financing the war effort.

There are still unused resources for agricultural and industrial production. These must be drawn into the national effort. Short-

### *3. The Annual Budget Message*

ages, however, have developed in skilled labor, raw materials, machines, and shipping. Under the expanding war program, more and more productive capacity must be shifted from peacetime to wartime work.

Last year fiscal policy was used to shift the economy into high gear. Today it is an instrument for transforming our peace economy into a war economy. This transformation must be completed with minimum friction and maximum speed. The fiscal measures which I outline in this message are essential elements in the Nation's war program.

**WAR APPROPRIATIONS.** This is a war budget. The details of a war program are, of course, in constant flux. Its magnitude and composition depend on events at the battlefronts of the world, on naval engagements at sea, and on new developments in mechanized warfare. Moreover, war plans are military secrets.

Under these circumstances I cannot hereafter present details of future war appropriations. However, total appropriations and expenditures will be published so that the public may know the fiscal situation and the progress of the Nation's effort.

The defense program, including appropriations, contract authorizations, recommendations, and commitments of Government corporations, was 29 billion dollars on January 3, 1941. During the last twelve months 46 billion dollars have been added to the program. Of this total of 75 billion dollars there remains 24 billion dollars for future obligation.

In this Budget I make an initial request for a war appropriation of 13.6 billion dollars for the fiscal year 1943. Large supplemental requests will be made as we move toward the maximum use of productive capacity. Nothing short of a maximum will suffice. I cannot predict ultimate costs because I cannot predict the changing fortunes of war. I can only say that we are determined to pay whatever price we must to preserve our way of life.

**WAR EXPENDITURES.** Total war expenditures are now running at a rate of 2 billion dollars a month and may surpass 5 billion dollars a month during the fiscal year 1943. As against probable budgetary war expenditures of 24 billion dollars for

### *3. The Annual Budget Message*

the current fiscal year, our present objective calls for war expenditures of nearly 53 billion dollars for the fiscal year 1943. And in addition, net outlays of Government corporations for war purposes are estimated at about 2 and 3 billion dollars for the current and the next fiscal year, respectively.

These huge expenditures for ships, planes, and other war equipment will require prompt conversion of a large portion of our industrial establishment to war production. These estimates reflect our determination to devote at least one-half of our national production to the war effort.

The agencies responsible for the administration of this vast program must make certain that every dollar is speedily converted into a maximum of war effort. We are determined to hold waste to a minimum.

### THE CIVIL FUNCTIONS OF GOVERNMENT

In a true sense, there are no longer non-defense expenditures. It is a part of our war effort to maintain civilian services which are essential to the basic needs of human life. In the same way it is necessary in wartime to conserve our natural resources and keep in repair our national plant. We cannot afford waste or destruction, for we must continue to think of the good of future generations of Americans. For example, we must maintain fire protection in our forests; and we must maintain control over destructive floods. In the preparation of the present Budget, expenditures not directly related to the war have been reduced to a minimum or reoriented to the war program.

We all know that the war will bring hardships and require adjustment. Assisting those who suffer in the process of transformation and taxing those who benefit from the war are integral parts of our national program.

It is estimated that expenditures for the major Federal assistance programs — farm aid, work relief, youth aid — can be reduced by 600 million dollars from the previous to the current fiscal year, and again by 860 million dollars from the current to

### *3. The Annual Budget Message*

the next fiscal year. These programs will require 1.4 billion dollars during the fiscal year 1943, about one-half of the expenditures for these purposes during the fiscal year 1941.

Improved economic conditions during the current year have made possible the execution of economic and social programs with smaller funds than were originally estimated. By using methods of administrative budget control, 415 million dollars of appropriations for civil purposes have been placed in reserves.

Excluding debt charges and grants under the Social Security law, total expenditures for other than direct war purposes have been reduced by slightly more than 1 billion dollars in the next fiscal year.

*Agricultural aid.* I propose to include contract authorizations in the Budget to assure the farmer a parity return on his 1942 crop, largely payable in the fiscal year 1944. I do not suggest a definite appropriation at this time because developments of farm income and farm prices are too uncertain. Agricultural incomes and prices have increased and we hope to limit the price rise of the products actually bought by the farmer. But if price developments should turn against the farmer, an appropriation will be needed to carry out the parity objective of the Agricultural Adjustment Act.

The remaining expenditures for the agricultural program are being brought into accord with the war effort. Food is an essential war material. I propose to continue the soil conservation and use program on a moderately reduced scale. Acreage control by cooperative efforts of farmer and Government was inaugurated in a period of overproduction in almost all lines of farming. Then its major objective was the curtailment of production to halt a catastrophic decline in farm prices. At present, although there is still excess production in some types of farming, serious shortages prevail in other types. The present program is designed to facilitate a balanced increase in production and to aid in controlling prices.

*Work projects.* The average number of W.P.A. workers was two million in the fiscal year 1940, the year before the defense

### *3. The Annual Budget Message*

program started; the average has been cut to one million this year. With increasing employment a further considerable reduction will be possible. I believe it will be necessary to make some provision for work relief during the next year. I estimate tentatively that 465 million dollars will be needed for W.P.A., but I shall submit a specific request later in the year. Workers of certain types and in certain regions of the country probably will not all be absorbed by war industries. It is better to provide useful work for the unemployed on public projects than to lose their productive power through idleness. Wherever feasible they will be employed on war projects.

Material shortages are creating the problem of "priority unemployment." I hope the workers affected will be reemployed by expanding war industries before their unemployment compensation ceases. Some of the workers affected will not, however, be eligible for such compensation and may be in need of assistance.

Rather than rely on relief a determined effort should be made to speed up reemployment in defense plants. I have, therefore, instructed the Office of Production Management to join the procurement agencies in an effort to place contracts with those industries forced to cut their peacetime production. The ingenuity of American management has already adapted some industries to war production. Standardization and substitution are doing their part in maintaining production. Ever-increasing use of sub-contracts, pooling of industrial resources, and wider distribution of contracts are of paramount importance for making the fullest use of our resources. The newly nationalized Employment Service will greatly help unemployed workers in obtaining employment.

*Aids to youth.* Under war conditions there is need and opportunity for youth to serve in many ways. It is therefore possible to make a considerable reduction in the programs of the Civilian Conservation Corps and the National Youth Administration. The youth, too, will be aided by the United States Employment Service in finding employment opportunities.

Although I am estimating 100 million dollars for these two

### *3. The Annual Budget Message*

agencies, excluding 50 million dollars for defense training, it is probable that the total amount will not be needed. I am postponing until next spring presentation to the Congress of specific recommendations as to youth aid.

*Public works program.* The public works program is being fully adjusted to the war effort. The general program of 578 million dollars includes those projects necessary for increasing production of hydroelectric power, for flood control, and for river and harbor work related to military needs. Federal aid for highways will be expended only for construction essential for strategic purposes. Other highway projects will be deferred until the postwar period. For all other Federal construction I am restricting expenditures to those active projects which cannot be discontinued without endangering the structural work now in progress.

*Civil departments and agencies.* The work of the civil departments and agencies is undergoing thorough reorientation. Established agencies will be used to the greatest possible extent for defense services. Many agencies have already made such readjustment. All civil activities of the Government are being focused on the war program.

*Federal grants and debt service.* A few categories of civil expenditures show an increase. Under existing legislation Federal grants to match the appropriations for public assistance made by the individual States will increase by 73 million dollars. I favor an amendment to the Social Security Act which would modify matching grants to accord with the needs of the various States. Such legislation would probably not affect expenditures substantially during the next fiscal year.

Because of heavy Federal borrowing, interest charges are expected to increase by 139 million dollars in the current fiscal year, and by another 500 million dollars in the fiscal year 1943. Debt service is, of course, affected by war spending.

COORDINATION OF FISCAL POLICIES. The fiscal policy of the Federal Government, especially with respect to public works, is being reinforced by that of State and local governments. Execu-

### *3. The Annual Budget Message*

tive committees of the Council of State Governments and the Governors' Conference have issued excellent suggestions for harmonizing various aspects of State and local fiscal policy with national objectives. These governments are readjusting many of their services so as to expedite the war program. Many are making flexible plans for the postwar readjustment and some are accumulating financial reserves for that purpose. The larger the scale of our war effort, the more important it becomes to provide a reservoir of postwar work by business and by Federal, State, and local governments.

#### **FINANCING THE WAR**

Determination, skill, and matériel are three great necessities for victory. Methods of financing may impair or strengthen these essentials. Sound fiscal policies are those which will help win the war. A fair distribution of the war burden is necessary for national unity. A balanced financial program will stimulate the productivity of the Nation and assure maximum output of war equipment.

With total war expenditures, including net outlays of Government corporations, estimated at 26 billion dollars for the current fiscal year and almost 56 billion dollars for the fiscal year 1943, war finance is a task of tremendous magnitude requiring a concerted program of action.

**RECEIPTS UNDER PRESENT LEGISLATION.** Total receipts from existing tax legislation will triple under the defense and war programs. They are expected to increase from 6 billion dollars in the fiscal year 1940 to 18 billion dollars in the fiscal year 1943. This increase is due partly to the expansion of economic activities and partly to tax legislation enacted during the last two years. As we approach full use of our resources, further increases in revenue next year must come predominantly from new tax measures rather than from a greater tempo of economic activity. Taxes on incomes, estates, and corporate profits are showing the greatest increase. Yields from employment taxes are increasing

### *3. The Annual Budget Message*

half as fast; and the yields from excise taxes are increasing more slowly; customs are falling off. On the whole, our tax system has become more progressive since the defense effort started.

**DEFICITS UNDER PRESENT LAWS.** The estimate of deficits must be tentative and subject to later revision. The probable net outlay of the Budget and Government corporations, excluding revenues from any new taxes, will be 20.9 billion dollars for the current fiscal year, and 45.4 billion dollars for the fiscal year 1943. Borrowing from trust funds will reduce the amounts which must be raised by taxation and borrowing from the public by about 2 billion dollars in the fiscal year 1942 and 2.8 billion dollars in the fiscal year 1943.

In estimating expenditures and receipts, only a moderate rise in prices has been assumed. Since expenditures are affected by rising prices more rapidly than are revenues, a greater price increase would further increase the deficit.

**THE NEED FOR ADDITIONAL TAXES.** In view of the tremendous deficits, I reemphasize my request of last year that war expenditures be financed as far as possible by taxation. When so many Americans are contributing all their energies and even their lives to the Nation's great task, I am confident that all Americans will be proud to contribute their utmost in taxes. Until this job is done, until this war is won, we will not talk of burdens.

I believe that 7 billion dollars in additional taxes should be collected during the fiscal year 1943. Under new legislation proposed later in this Message, social security trust funds will increase by 2 billion dollars. Thus new means of financing would provide a total of 9 billion dollars in the fiscal year 1943.

Specific proposals to accomplish this end will be transmitted in the near future. In this Message I shall limit my recommendations on war finance to the broad outline of a program.

Tax programs too often follow the line of least resistance. The present task definitely requires enactment of a well-balanced program which takes account of revenue requirements, equity, and economic necessities.

There are those who suggest that the policy of progressive

### *3. The Annual Budget Message*

taxation should be abandoned for the duration of the war because these taxes do not curtail consumers' demand. The emergency does require measures of a restrictive nature which impose sacrifices on all of us. But such sacrifices are themselves the most compelling argument for making progressive taxes more effective. The anti-inflationary aspect of taxation should supplement, not supplant, its revenue and equity aspects.

**PROGRESSIVE TAXES.** Progressive taxes are the backbone of the Federal tax system. In recent years much progress has been made in perfecting income, estate, gift, and profit taxation but numerous loopholes still exist. Because some taxpayers use them to avoid taxes, other taxpayers must pay more. The higher the tax rates the more urgent it becomes to close the loopholes. Exemptions in estate and gift taxation should be lowered. The privileged treatment given certain types of business in corporate income taxation should be reexamined.

It seems right and just that no further tax-exempt bonds should be issued. We no longer issue United States tax-exempt bonds and it is my personal belief that the income from State, municipal, and authority bonds is taxable under the income-tax amendment to the Constitution. As a matter of equity I recommend legislation to tax all future issues of this character.

Excessive profits undermine unity and should be recaptured. The fact that a corporation had large profits before the defense program started is no reason to exempt them now. Unreasonable profits are not necessary to obtain maximum production and economical management. Under war conditions the country cannot tolerate undue profits.

Our tax laws contain various technical inequities and discriminations. With taxes at wartime levels, it is more urgent than ever to eliminate these defects in our tax system.

**ANTI-INFLATIONARY TAXES.** I stated last year in the Budget Message that extraordinary tax measures may be needed to "aid in avoiding inflationary price rises which may occur when full capacity is approached." The time for such measures has come. A well-balanced tax program must include measures which com-

### *3. The Annual Budget Message*

bat inflation. Such measures should absorb some of the additional purchasing power of consumers and some of the additional funds which accrue to business from increased consumer spending.

A number of tax measures have been suggested for that purpose, such as income taxes collected at the source, pay-roll taxes, and excise taxes. I urge the Congress to give all these proposals careful consideration. Any tax is better than an uncontrolled price rise.

Taxes of an anti-inflationary character at excessive rates spell hardship in individual cases and may have undesirable economic repercussions. These can be mitigated by timely adoption of a variety of measures, each involving a moderate rate of taxation.

Any such tax should be considered an emergency measure. It may help combat inflation; its repeal in a postwar period may help restore an increased flow of consumers' purchasing power.

*Excise taxes.* All through the years of the depression I opposed general excise and sales taxes and I am as convinced as ever that they have no permanent place in the Federal tax system. In the face of the present financial and economic situation, however, we may later be compelled to reconsider the temporary necessity of such measures.

Selective excise taxes are frequently useful for curtailing the demand for consumers' goods, especially luxuries and semi-luxuries. They should be utilized when manufacture of the products competes with the war effort.

*Payroll-taxes and the social security program.* I oppose the use of pay-roll taxes as a measure of war finance unless the worker is given his full money's worth in increased social security. From the inception of the social security program in 1935 it has been planned to increase the number of persons covered and to provide protection against hazards not initially included. By expanding the program now, we advance the organic development of our social security system and at the same time contribute to the anti-inflationary program.

I recommend an increase in the coverage of old-age and survivors' insurance, addition of permanent and temporary dis-

### *3. The Annual Budget Message*

ability payments and hospitalization payments beyond the present benefit programs, and liberalization and expansion of unemployment compensation in a uniform national system. I suggest that collection of additional contributions be started as soon as possible, to be followed one year later by the operation of the new benefit plans.

Additional employer and employee contributions will cover increased disbursements over a long period of time. Increased contributions would result in reserves of several billion dollars for postwar contingencies. The present accumulation of these contributions would absorb excess purchasing power. Investment of the additional reserves in bonds of the United States Government would assist in financing the war.

The existing administrative machinery for collecting pay-roll taxes can function immediately. For this reason Congressional consideration might be given to immediate enactment of this proposal, while other necessary measures are being perfected.

I estimate that the social security trust funds would be increased through the proposed legislation by 2 billion dollars during the fiscal year 1943.

**FLEXIBILITY IN THE TAX SYSTEM.** Our fiscal situation makes imperative the greatest possible flexibility in our tax system. The Congress should consider the desirability of tax legislation which makes possible quick adjustment in the timing of tax rates and collections during an emergency period.

**BORROWING AND THE MENACE OF INFLATION.** The war program requires not only substantially increased taxes but also greatly increased borrowing. After adjusting for additional tax collections and additional accumulation in social security trust funds, borrowing from the public in the current and the next fiscal year would be nearly 19 billion dollars and 34 billion dollars, respectively.

Much smaller deficits during the fiscal year 1941 were associated with a considerable increase in prices. Part of this increase was a recovery from depression lows. A moderate price rise, accompanied by an adjustment of wage rates, probably facilitated

### *3. The Annual Budget Message*

the increase in production and the defense effort. Another part of the price rise, however, was undesirable and must be attributed to the delays in enacting adequate measures of price control.

With expenditures and deficits multiplied, the threat of inflation will apparently be much greater. There is, however, a significant difference between conditions as they were in the fiscal year 1941 and those prevailing under a full war program. Last year, defense expenditures so stimulated private capital outlays that intensified use of private funds and private credit added to the inflationary pressure created by public spending.

Under a full war program, however, most of the increase in expenditures will replace private capital outlays rather than add to them. Allocations and priorities, necessitated by shortages of material, are now in operation; they curtail private outlays for consumers' durable goods, private and public construction, expansion and even replacements in non-defense plants and equipment. These drastic curtailments of non-defense expenditures add, therefore, to the private funds available for non-inflationary financing of the Government deficit.

This factor will contribute substantially to financing the tremendous war effort without disruptive price rises and without necessitating a departure from our low-interest-rate policy. The remaining inflationary pressure will be large but manageable. It will be within our power to control it if we adopt a comprehensive program of additional anti-inflationary measures.

A COMPREHENSIVE ANTI-INFLATIONARY PROGRAM. A great variety of measures is necessary in order to shift labor, materials, and facilities from the production of civilian articles to the production of weapons and other war supplies. Taxes can aid in speeding these shifts by cutting non-essential civilian spending. Our resources are such that even with the projected huge war expenditures we can maintain a standard of living more than adequate to support the health and productivity of our people. But we must forgo many conveniences and luxuries.

The system of allocations — rationing on the business level — should be extended and made fully effective, especially with relation to inventory control.

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I do not at present propose general consumer ration cards. There are not as yet scarcities in the necessities of life which make such a step imperative. Consumers' rationing has been introduced, however, in specific commodities for which scarcities have developed. We shall profit by this experience if a more general system of rationing ever becomes necessary.

I appeal for the voluntary cooperation of the consumer in our national effort. Restraint in consumption, especially of scarce products, may make necessary fewer compulsory measures. Hoarding should be encouraged in only one field, that of defense savings bonds. Economies in consumption and the purchase of defense savings bonds will facilitate financing war costs and the shift from a peace to a war economy.

An integrated program, including direct price controls, a flexible tax policy, allocations, rationing, and credit controls, together with producers' and consumers' cooperation will enable us to finance the war effort without danger of inflation. This is a difficult task. But it must be done and it can be done.

### **THE INCREASE IN THE FEDERAL DEBT**

On the basis of tentative Budget estimates, including new taxes, the Federal debt will increase from 43 billion dollars in June, 1940, when the defense program began, to 110 billion dollars three years later. This increase in Federal indebtedness covers also the future capital demands of Government corporations. About 2 billion dollars of this increase will result from the redemption of notes of Government corporations guaranteed by the Federal Government.

These debt levels require an increase in the annual interest from 1 billion dollars in 1940 to above 2.5 billion dollars at the end of fiscal year 1943. Such an increase in interest requirements will prevent us for some time after the war from lowering taxes to the extent otherwise possible. The import of this fact will depend greatly on economic conditions in the postwar period.

Paying 2.5 billion dollars out of an extremely low national income would impose an excessive burden on taxpayers while

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the same payment out of a 100-billion-dollar national income, after reduction of armament expenditures, may still permit substantial tax reductions in the postwar period.

If we contract a heavy debt at relatively high prices and must pay service charges in a period of deflated prices, we shall be forced to impose excessive taxes. Our capacity to carry a large debt in a postwar period without undue hardship depends mainly on our ability to maintain a high level of employment and income.

I am confident that by prompt action we shall control the price development now and that we shall prevent the recurrence of a deep depression in the postwar period. There need be no fiscal barriers to our war effort and to victory.

*NOTE:* See Item 4, this volume, for President's press conference discussion "The Budget Seminar" — the President's of the Annual Budget.

#### **4 ¶ The Seven Hundred and Ninety-seventh Press Conference — "The Budget Seminar" (Excerpts). January 6, 1942**

*(Fiscal and calendar year — Secrecy of details — Measurement of production progress — Need for curtailing civilian steel production — Six million tons of shipping and sixty thousand planes for 1942 — Conversion of civilian plants — Civilian bureaus in war effort — Social Security — Corporation taxes — Community property — Excise taxes — Price control and World War I inflation.)*

**MR. EARLY:** *(to the President)* Look at these financial experts, sir! *(Indicating press association newsmen in the front row)*

**THE PRESIDENT:** I think it's fine.

**Q.** We are already groggy.

**THE PRESIDENT:** A very small group. I am very glad to welcome the financial editors of the country! *(Laughter)*

**Q.** We will be after this.

**THE PRESIDENT:** Of course, very few newspapermen know the

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difference between a dollar and a dime, anyway. But then, on the other hand, very few Presidents do. (*Laughter*) So we start even.

This is probably the biggest Budget in the history of any Nation, any time. I have no information about the Roman budgets. They were said to have been very high. . . .

By the way, I have always felt uncertain as to whether to write a Message to Congress, or a speech, on New Year's. I always get mixed up — and you do, and the public does — between fiscal year and calendar year. I don't think the public understands the difference. You don't all understand the difference, and I don't understand the difference half the time. I make mistakes.

And I think it would be a great reform that might come out of this situation, to make the fiscal year of the United States — and a lot of State governments, and municipal governments — conform to the calendar year. It is a thing, of course, that will require legislation. I have talked to some leaders about it lately, and they had all been talking in the same terms to get that change made.

(*Reading of excerpts from the Budget Message*) . . .

- Q. Will there be published and made available records of Committee hearings or Committee reports on war appropriations? Those appropriations will provide, say, for 3,000 airplanes, and 3,000 tanks, et cetera? It will be a lump sum for the Army?

THE PRESIDENT: Very largely, because — well, we all know the practical problem. So does every member of the Committee on the Hill.

- Q. But there will be hearings?

THE PRESIDENT: Oh yes. Oh my, yes. Heavens, yes.

- Q. All that information made available?

THE PRESIDENT: For example, if we would ask for 3,000 airplanes, I doubt if we would get a breakdown on the types of those planes. On one particular supplemental bill it might

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be a majority of pursuit planes. On another supplemental hearing it might be a majority of bombers, or something like that. Now those things are details you can't give out, and that is one reason why, quite frankly, when you say 3,000 planes it may mean an awful lot, and it may not.

I have been rather considering the idea, so as to give people a chance to see whether the step-up is a constant step-up month by month, of using, instead of the terms of planes, or ships, which may be large or small, of using "man-hours." In other words, if we see that this country is every week increasing the man-hours, we know we are going places. But it is a fantastic term when you talk of man-hours. I don't get it. I still don't understand what ten million man-hours means. And I am open to suggestions.

There is an old crossword puzzle word called an "erg," — an e-r-g — a unit of work. I don't know what an erg is. If somebody could get that across in simpler terms than man-hours, it would be an awfully good thing. It is something that we need to have invented. We might all be thinking about it. I think I might almost offer a prize.

Lloyd George, in '18, when I went to the other side, said, "You Americans have got inventive genius. Invent me a term to take the place of the word 'cooperation.'" Nobody has done it yet. It is an amazing thing. It is a horrible word, but we haven't got a substitute yet. . . .

(*After continuing to read*) I don't know whether it's the appropriate place, but I see no reason why you shouldn't know the fact that during the past two weeks, in talking to these various people, I was a bit appalled by the fact that so much of our production was still going into civilian use. We knew, for instance, last September, that out of the total production of steel in the United States, only about 25 percent of it was going into war production.

And it was a large question, at that time, as to whether we shouldn't start new steel plants, to get more steel production.

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And we have started a few, but it takes a year and a half to build a steel plant before it starts turning things out.

So we adopted the only other possibility, besides adding a little to existing production. And that was to cut more deeply into civilian production. I can't give you the exact figures, but from last September the percentage of defense steel has risen from about 25 percent first, to 30 percent, then to 35 percent, which still means that 65 percent is going into civilian use.

So when Lord Beaverbrook first got over here, I said, "What are your percentages?" "Well," he said, "our percentages are very nearly turned around. Seventy-five percent of all the steel made in England is going into war use, and 25 percent to civilian use."

Now this program will not get us as high as 75 percent of steel production for war use, but it will be a whole lot higher than the present 35 percent. My own estimate is that it will run probably as high as 55 percent, or even 60 percent, meaning that the civilian use of steel has got to be cut a lot more than it has been cut already.

And the other thing I think I can bring out is that in making up these total estimates, of course I sent for the Budget people who were responsible. For example, I sent for the Maritime Commission, and I pointed out to them that one of the really vital things we have got to get is more tonnage, and while on the relative sinkings and buildings at the present time we are holding even, we have got to make substantial gains of building over losses.

And I said to them, "What are you making now?" "Well, we are making over one million tons this year." I said, "What can you step it up to?" "Well," they said, "we can step it up to five million tons." I said, "Not enough. Go back and sharpen your pencils." That is just illustrative of the method. So they went back and sharpened their pencils, and they came back, and they said, "It will hurt terribly, but we believe that if we are told to we can turn out six mil-

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lion tons of shipping this year." I said, "Now you're talking." And I said, "All right now, for '43 what can you do? Can you turn out four million more tons, to a total of ten million tons of shipping?" And they scratched their heads, and came back and said, "Aye, aye, sir, we will do it." That's just an illustration.

Then it came to planes, tanks, anti-aircraft guns. And I have been at them for two weeks, sometimes telling them to go back and sharpen their pencils.

The other day I had a final conference with Knudsen and Nelson, and I gave them what I would like to see done — I knew it would be awfully hard work for them — and outlined the 60,000 planes this year, of which 45,000 would be combat planes. And I nearly took their breath away: "Can you make 125,000 planes next year, of which 100,000 would be combat planes?" And they talked it over awhile, and finally they came back, to give me the green light when I go up to Congress, and again they said, "Aye, aye, sir. We will do it, sir."

Now that has been the result of the last two weeks, and it is a very magnificent thing that they are doing, because they are accepting probably the most difficult production job in all history. And if we get them — and I think we will — it will put us in the position to win the war. . . .

(*After continuing to read*) Right in there — neither here nor there — but it is one of those specific cases that sometimes crop up. It's a good illustration.

I was home about four months ago, and a fellow from Poughkeepsie came to see me. He, and his father, and grandfather, ran a window sash and window blind works. The firm is a little over a hundred years old. And he came to me, and he said, "I am all out of orders. There is no more private building in Dutchess County. What will I do? We have got thirty first-class carpenters and cabinetmakers that have been with me for years and years." "Well," I said, "can't you do some war work?" He said, "I don't know. Are they order-

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ing any wood cabinet work for this war?" "I don't think so. We use all steel."

I brought him down here to Washington and explained the situation. And I got busy on this thing. I said, when I was getting my nose done, to Ross McIntire [Admiral Ross T. McIntire, White House physician and Surgeon General of the Navy], "You are just a little tiny cog in the Navy Department. Are you still buying steel medicine cabinets to put up on the wall?"

And he said, "Yes."

"Couldn't you use a wooden medicine cabinet?"

He said, "Sure."

"Are you still buying steel bookcases, and steel desks, for your hospitals?"

He said, "Yes."

"Couldn't you use wooden ones just as well?"

"Sure."

Well, that's just one illustration.

Then I sent for the Maritime Commission. I said, "On your ships, in the Officers' quarters or the Messes or the First Mate's, do you use wooden wainscoting?"

They said, "Yes."

"And where are you getting it?"

"I don't know."

The net result was that this man in Poughkeepsie came down here, and he was handed a list of wooden cabinet work that could be used for the Government, substitutes mostly. And he was asked, "Aren't there any other woodworking companies like yours in Hudson Valley that are going out of business for lack of work?"

And he said, "Yes. One in Newburgh, one in Kingston, one in Hudson, and I think one in Peekskill that I know of. They are all in the same fix I am in."

So they said to him, "All right. How much can the five companies in the Hudson River Valley take?"

And he went back there, and they have got enough Gov-

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ernment orders to keep 150 men steadily at work for at least a year on building wooden substitutes for the Government. And there are 150 skilled workers employed by the use of a little ingenuity.

Now on that sort of thing we are beginning to get into our stride, but as you know, it means going and searching out the places where that kind of solution of the problem is needed. And, well, we are doing it as fast as we can. . . .

(Continuing to read): "Civil departments and agencies. — The work of the civil departments and agencies is undergoing thorough reorientation. Established agencies will be used to the greatest possible extent for defense services. Many agencies have already made such readjustment. All civil activities of the Government are being focused on the war program."

Q. Mr. President, in that connection, I have heard it from friends who ask: As long as we are spending all this money for war, why do we need all these bureaus in the Commerce Department and the Agriculture Department, and so forth? Does this paragraph mean that?

THE PRESIDENT: The answer is that it is awfully easy to say a broad, general thing like that, but when you come down to actual cases — well, for instance, we know that the Department of Agriculture has all kinds of bureaus in it. The Bureau of Animal Inspection — My goodness, can't we let *that* go until the end of the war? When you come down to it, ought we to let *that* stop during the period of the war? Oughtn't we to protect the health of the people? Oughtn't we to see to it? Look at the bureaus — the Bureau to Eliminate Ticks on Cattle, to Eliminate the Boll Weevil, to Eliminate the Peach Moth, and so forth and so on.

The answer is that we are fighting nature all the time along those lines. The pine blister rust — they are fighting nature, in order to keep from getting overwhelmed by nature.

And if we once let up on the fight, it means that the work will be just twice as hard. There will be an awful lot ofulti-

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mate damage caused by the pests of nature. We are cutting them. We are cutting all those bureaus, but we are still keeping the service going on. . . .

(Continuing to read): "I favor an amendment to the Social Security Act which would modify matching grants to accord with the needs of the various States. Such legislation would probably not affect expenditures substantially during the next fiscal year."

Well, you know what we have been trying to do on that. It is going to be a hard thing to get through a State like Georgia, which hasn't got the taxable values in the State. And therefore, when they come to a matching program with the Federal Government, their total is very, very low, if judged on a per capita basis. That does not take care of their sick, and blind, and unemployed, and relief people, and so forth and so on, because the State hasn't got the taxable values.

In a State like New York, on the other hand, they have got the taxable values. They can put up much larger funds, again on a per capita basis, than the State of Georgia.

Now the objective is that the Federal grants will be so distributed as to help the poorer States more greatly than the richer States. And that would not be left to the discretion of the State legislature, because a lot of them might try to save money on that basis, but would be based on some kind of an index figure, which in turn would be based on the per capita income of the individuals in all of the States. The States that have the highest per capita income would get the least, and the States that have the lowest income would get the most. Well, that is something we are shooting for, and have been for the last year. . . .

(Continuing to read): "Progressive taxes are the backbone of the Federal tax system. In recent years much progress has been made in perfecting income, estate, gift, and profit taxation but numerous loopholes still exist. Because some taxpayers use them to avoid taxes, other taxpayers must pay more. The higher the tax rates the more urgent it becomes to close the loopholes. Exemptions in estate and gift taxation should be

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lowered. The privileged treatment given certain types of business in corporate income taxation should be reexamined." . . .

*Q.* Did you have in mind the average annual income?

**THE PRESIDENT:** No. I tell you what I have in mind. I don't know whether it's this clause, or one further on. You take a corporation. Call it corporation X. I am thinking of Coca-Cola. Now, what is the total amount of money, not confined to any rich people — widows and orphans — that ever went into X? Well, it is probably 10 percent of the capitalization of X. Now they plowed back profits, that is perfectly true, but nothing like to an amount equal to the total of their capitalization.

Now, how do you value X? Do you value it on the profit they make every year? While on the original stock the payments that went in there were 100 percent, they are making this year the same amount that they made on the average of the past four years. So under the present law, they very largely escape any additional taxes.

Now the question is: Should an original investor be entitled to 100 percent without any further penalty? There are any number of corporations of that kind. It was one of the well-recognized devices — it was not dishonest, everybody did it in the Golden Age of the twenties. And it is a question as to whether people should get 100 percent on their money year in and year out, or whether they should pay somewhat higher taxes on that enormous yield. And of course I failed, as you know, in the last tax bill to have anything done about it. I am still at it.

*Q.* You mean a corporation, Mr. President, with a large fixed capitalization should not be penalized the same way, as far as taxes are concerned, as a company with smaller capitalization and larger earnings?

**THE PRESIDENT:** That's right too. Now of course there are a lot of very small companies and individual businesses today that we all feel terribly sorry for, because they have certain debts,

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which under the present tax law they are absolutely unable to cut down. At the present time, under the present law, they can't spend any of their money for reduction of debt, and these companies are companies of very small capitalization. It is a real hardship on them.

- Q. You speak, Mr. President, of loopholes, here again, in the tax law. Would that include tax laws on community property that they tried to correct last year? Would you happen to have that in mind?

THE PRESIDENT: No. I haven't had it in mind, but I have always thought that we should have exactly the same basis in all the States, instead of having four or five States with a separate kind of law.

- Q. May I interrupt, Mr. President? In that statement you mean to imply that you advocate one method of computing excess profits taxes, rather than in existing law?

THE PRESIDENT: No. Have some kind of provision that will help some of the smaller companies, providing some method by which they can pay down a little on their debts. Remember that smaller companies' debts are in most cases loans from banks, callable at any time. Well, the bank is all right if it will renew the loan when it comes due — short term — one-year note — three-year note — they will be glad to renew the note if something has been paid down on the note toward its reduction. Whereas the larger companies — their debt is largely to their stockholders, and in very long-term bonds. They are not frightfully concerned about paying down on their debt.

My family still has some bonds of the New York Central that are the direct lineal descendants of some bonds that my great-grandfather bought in 1841 to help build the railroad up the Hudson River. And we have still got them, and they have never paid off one cent of that capitalization in a hundred years, because it was the financial policy of railroads always to refund the debt, and never pay it off. Now that's an

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advantage that a big corporation has, but the little firm can't do that. The bank says, "No, no." . . .

(Continuing to read): "All through the years of the depression I opposed general excise and sales taxes and I am as convinced as ever that they have no permanent place in the Federal tax system. In the face of the present financial and economic situation, however, we may later be compelled to reconsider the temporary necessity of such measures.

"Selective excise taxes are frequently useful for curtailing the demand for consumers' goods, especially luxuries and semi-luxuries. They should be utilized when manufacture of the products competes with the war effort."

Now don't go out and say that I am coming out for a sales tax. Oh no. I am talking about a selective excise tax, which is in a sense like the tax on your cigarettes. It is a selective excise tax. And I believe that we will have to go into that field more largely on a selective excise tax and sales tax on certain carefully selected things which now don't bear that burden.

For three reasons: The first is to raise revenue; the second is to put a brake on inflation problems; and the third — at the end of this war — the ability to take that brake off if we run into a period of deflation. . . .

(After continuing to read) I may say on this Budget Message that there are two outstanding things that I am very, very much encouraged about, when I draw comparison with '17 and '18, and '19 and '20.

As some of you remember, we were getting out our bonds at  $4\frac{1}{4}$  percent rate. Today we are getting out our bonds, and notes, and bills, at an average of about  $2\frac{1}{2}$  percent for the entire national debt. That is a very, very big saving over the conditions at that time.

Furthermore, the reason I stress price control is that, as some of us remember, the prices of certain things went clear out of line, both during the first World War and after it. Two dollars for wheat. Thirty-five cents for cotton, and so forth and so on. Well, as a result of things getting out of line, through the failure of price control at that period,

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which was based, however, on things that happened before '17, a whole lot of other things were thrown out of line, to the ruination of millions of people. Some of those agricultural prices went up in '14 and '15 and '16, before we got into the war. Wheat got up two dollars and a half a bushel, and the price of any land that grew these things went up to a perfectly fantastic figure. Fifty-dollar land was selling at two-hundred dollars. And of course the financing of it had been mostly by mortgage or some kind of an obligation. And at the end of the period when, say, wheat dropped down from two dollars to forty or fifty cents a bushel, that land reverted to its original value. And the fellow that had bought it lost it, and then a whole chain of things happened.

I remember in the 1920 campaign, when I started out west on my first trip, I realized that there was quite a lot of trouble among the cattle growers of the West. They had been encouraged to add to their herds, to get all the new calves that they possibly could. And the whole West was flooded with calves and cows.

And I knew that I would run into trouble, and the reason was that the people who had lent them the money—the banks, which had been encouraged by the Treasury Department—were calling loans.

So I wrote a letter to the Secretary of the Treasury, Mr. Houston, and said, "Now, what will I say in my speeches to these cattle growers?" And I got back a letter—imagine my using it in the campaign—saying, "Dear Mr. Secretary, tell them the truth. Tell them that they have to be the vicarious sacrifice for a restoration of the country to normal financial positions."

Well, I didn't use it. (*Laughter*)

Now we want to avoid having cattle growers, and lots of other people, put in the same bad fix they were in at the end of the first World War. And we are thinking ahead. And I am perfectly convinced that even if the debt does go to 110 billion dollars, we will be able to pay it; partly because of

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the very much lowered cost of interest to the people of the country, and secondly by a scheme of taxation, a scheme of price control that will keep up the national income and enable us to reduce that debt in a relatively short time, just as we were reducing it up to '26, when we rescinded a whole lot of taxes and left the country burdened with a debt of somewhere around 21 or 22 billion dollars. . . .

*NOTE:* See Item 3, this volume, for the Annual Budget Message.

**5 ¶ “The Militarists of Berlin and Tokyo Started This War. But the Massed, Angered Forces of Common Humanity Will Finish It”—Address to the Congress on the State of the Union.**

**January 6, 1942**

**I**N FULFILLING my duty to report upon the State of the Union, I am proud to say to you that the spirit of the American people was never higher than it is today—the Union was never more closely knit together—this country was never more deeply determined to face the solemn tasks before it.

The response of the American people has been instantaneous, and it will be sustained until our security is assured.

Exactly one year ago today I said to this Congress: “When the dictators . . . are ready to make war upon us, they will not wait for an act of war on our part. . . . They—not we—will choose the time and the place and the method of their attack.”

We now know their choice of the time: a peaceful Sunday morning—December 7, 1941.

We know their choice of the place: an American outpost in the Pacific.

We know their choice of the method: the method of Hitler himself.

Japan’s scheme of conquest goes back half a century. It was

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not merely a policy of seeking living room: it was a plan which included the subjugation of all the peoples in the Far East and in the islands of the Pacific, and the domination of that ocean by Japanese military and naval control of the western coasts of North, Central, and South America.

The development of this ambitious conspiracy was marked by the war against China in 1894; the subsequent occupation of Korea; the war against Russia in 1904; the illegal fortification of the mandated Pacific islands following 1920; the seizure of Manchuria in 1931; and the invasion of China in 1937.

A similar policy of criminal conquest was adopted by Italy. The Fascists first revealed their imperial designs in Libya and Tripoli. In 1935 they seized Abyssinia. Their goal was the domination of all North Africa, Egypt, parts of France, and the entire Mediterranean world.

But the dreams of empire of the Japanese and Fascist leaders were modest in comparison with the gargantuan aspirations of Hitler and his Nazis. Even before they came to power in 1933, their plans for that conquest had been drawn. Those plans provided for ultimate domination, not of any one section of the world, but of the whole earth and all the oceans on it.

When Hitler organized his Berlin-Rome-Tokyo alliance, all these plans of conquest became a single plan. Under this, in addition to her own schemes of conquest, Japan's role was obviously to cut off our supply of weapons of war to Britain, and Russia and China — weapons which increasingly were speeding the day of Hitler's doom. The act of Japan at Pearl Harbor was intended to stun us — to terrify us to such an extent that we would divert our industrial and military strength to the Pacific area, or even to our own continental defense.

The plan has failed in its purpose. We have not been stunned. We have not been terrified or confused. This very reassembling of the Seventy-seventh Congress today is proof of that; for the mood of quiet, grim resolution which here prevails bodes ill for those who conspired and collaborated to murder world peace.

That mood is stronger than any mere desire for revenge. It

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expresses the will of the American people to make very certain that the world will never so suffer again.

Admittedly, we have been faced with hard choices. It was bitter, for example, not to be able to relieve the heroic and historic defenders of Wake Island. It was bitter for us not to be able to land a million men in a thousand ships in the Philippine Islands.

But this adds only to our determination to see to it that the Stars and Stripes will fly again over Wake and Guam. Yes, see to it that the brave people of the Philippines will be rid of Japanese imperialism; and will live in freedom, security, and independence.

Powerful and offensive actions must and will be taken in proper time. The consolidation of the United Nations' total war effort against our common enemies is being achieved.

That was and is the purpose of conferences which have been held during the past two weeks in Washington, and Moscow and Chungking. That is the primary objective of the declaration of solidarity signed in Washington on January 1, 1942, by 26 Nations united against the Axis powers.

Difficult choices may have to be made in the months to come. We do not shrink from such decisions. We and those united with us will make those decisions with courage and determination.

Plans have been laid here and in the other capitals for coordinated and cooperative action by all the United Nations — military action and economic action. Already we have established, as you know, unified command of land, sea, and air forces in the southwestern Pacific theater of war. There will be a continuation of conferences and consultations among military staffs, so that the plans and operations of each will fit into the general strategy designed to crush the enemy. We shall not fight isolated wars — each Nation going its own way. These 26 Nations are united — not in spirit and determination alone, but in the broad conduct of the war in all its phases.

For the first time since the Japanese and the Fascists and the Nazis started along their blood-stained course of conquest they

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now face the fact that superior forces are assembling against them. Gone forever are the days when the aggressors could attack and destroy their victims one by one without unity of resistance. We of the United Nations will so dispose our forces that we can strike at the common enemy wherever the greatest damage can be done him.

The militarists of Berlin and Tokyo started this war. But the massed, angered forces of common humanity will finish it.

Destruction of the material and spiritual centers of civilization — this has been and still is the purpose of Hitler and his Italian and Japanese chessmen. They would wreck the power of the British Commonwealth and Russia and China and the Netherlands — and then combine all their forces to achieve their ultimate goal, the conquest of the United States.

They know that victory for us means victory for freedom.

They know that victory for us means victory for the institution of democracy — the ideal of the family, the simple principles of common decency and humanity.

They know that victory for us means victory for religion.

And they could not tolerate that. The world is too small to provide adequate "living room" for both Hitler and God. In proof of that, the Nazis have now announced their plan for enforcing their new German, pagan religion all over the world — a plan by which the Holy Bible and the Cross of Mercy would be displaced by *Mein Kampf* and the swastika and the naked sword.

Our own objectives are clear; the objective of smashing the militarism imposed by war lords upon their enslaved peoples — the objective of liberating the subjugated Nations — the objective of establishing and securing freedom of speech, freedom of religion, freedom from want, and freedom from fear everywhere in the world.

We shall not stop short of these objectives — nor shall we be satisfied merely to gain them and then call it a day. I know that I speak for the American people — and I have good reason to believe that I speak also for all the other peoples who fight with us — when I say that this time we are determined not only to win

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the war, but also to maintain the security of the peace that will follow.

But we know that modern methods of warfare make it a task, not only of shooting and fighting, but an even more urgent one of working and producing.

Victory requires the actual weapons of war and the means of transporting them to a dozen points of combat.

It will not be sufficient for us and the other United Nations to produce a slightly superior supply of munitions to that of Germany, Japan, Italy, and the stolen industries in the countries which they have overrun.

The superiority of the United Nations in munitions and ships must be overwhelming — so overwhelming that the Axis Nations can never hope to catch up with it. And so, in order to attain this overwhelming superiority the United States must build planes and tanks and guns and ships to the utmost limit of our national capacity. We have the ability and capacity to produce arms not only for our own forces, but also for the armies, navies, and air forces fighting on our side.

And our overwhelming superiority of armament must be adequate to put weapons of war at the proper time into the hands of those men in the conquered Nations who stand ready to seize the first opportunity to revolt against their German and Japanese oppressors, and against the traitors in their own ranks, known by the already infamous name of "Quislings." And I think that it is a fair prophecy to say that, as we get guns to the patriots in those lands, they too will fire shots heard 'round the world.

This production of ours in the United States must be raised far above present levels, even though it will mean the dislocation of the lives and occupations of millions of our own people. We must raise our sights all along the production line. Let no man say it cannot be done. It must be done — and we have undertaken to do it.

I have just sent a letter of directive to the appropriate departments and agencies of our Government, ordering that immediate steps be taken:

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First, to increase our production rate of airplanes so rapidly that in this year, 1942, we shall produce 60,000 planes, 10,000 more than the goal that we set a year and a half ago. This includes 45,000 combat planes — bombers, dive bombers, pursuit planes. The rate of increase will be maintained and continued so that next year, 1943, we shall produce 125,000 airplanes, including 100,000 combat planes.

Second, to increase our production rate of tanks so rapidly that in this year, 1942, we shall produce 45,000 tanks; and to continue that increase so that next year, 1943, we shall produce 75,000 tanks.

Third, to increase our production rate of anti-aircraft guns so rapidly that in this year, 1942, we shall produce 20,000 of them; and to continue that increase so that next year, 1943, we shall produce 35,000 anti-aircraft guns.

And fourth, to increase our production rate of merchant ships so rapidly that in this year, 1942, we shall build 6,000,000 dead-weight tons as compared with a 1941 completed production of 1,100,000. And finally, we shall continue that increase so that next year, 1943, we shall build 10,000,000 tons of shipping.

These figures and similar figures for a multitude of other implements of war will give the Japanese and the Nazis a little idea of just what they accomplished in the attack at Pearl Harbor.

And I rather hope that all these figures which I have given will become common knowledge in Germany and Japan.

Our task is hard — our task is unprecedented — and the time is short. We must strain every existing armament-producing facility to the utmost. We must convert every available plant and tool to war production. That goes all the way from the greatest plants to the smallest — from the huge automobile industry to the village machine shop.

Production for war is based on men and women — the human hands and brains which collectively we call Labor. Our workers stand ready to work long hours; to turn out more in a day's work; to keep the wheels turning and the fires burning twenty-four hours a day, and seven days a week. They realize well that on the

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speed and efficiency of their work depend the lives of their sons and their brothers on the fighting fronts.

Production for war is based on metals and raw materials—steel, copper, rubber, aluminum, zinc, tin. Greater and greater quantities of them will have to be diverted to war purposes. Civilian use of them will have to be cut further and still further—and, in many cases, completely eliminated.

War costs money. So far, we have hardly even begun to pay for it. We have devoted only 15 percent of our national income to national defense. As will appear in my Budget Message tomorrow, our war program for the coming fiscal year will cost 56 billion dollars or, in other words, more than half of the estimated annual national income. That means taxes and bonds and bonds and taxes. It means cutting luxuries and other non-essentials. In a word, it means an “all-out” war by individual effort and family effort in a united country.

Only this all-out scale of production will hasten the ultimate all-out victory. Speed will count. Lost ground can always be regained—lost time never. Speed will save lives; speed will save this Nation which is in peril; speed will save our freedom and our civilization—and slowness has never been an American characteristic.

As the United States goes into its full stride, we must always be on guard against misconceptions which will arise, some of them naturally, or which will be planted among us by our enemies.

We must guard against complacency. We must not underrate the enemy. He is powerful and cunning—and cruel and ruthless. He will stop at nothing that gives him a chance to kill and to destroy. He has trained his people to believe that their highest perfection is achieved by waging war. For many years he has prepared for this very conflict—planning, and plotting, and training, arming, and fighting. We have already tasted defeat. We may suffer further setbacks. We must face the fact of a hard war, a long war, a bloody war, a costly war.

We must, on the other hand, guard against defeatism. That

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has been one of the chief weapons of Hitler's propaganda machine — used time and again with deadly results. It will not be used successfully on the American people.

We must guard against divisions among ourselves and among all the other United Nations. We must be particularly vigilant against racial discrimination in any of its ugly forms. Hitler will try again to breed mistrust and suspicion between one individual and another, one group and another, one race and another, one Government and another. He will try to use the same technique of falsehood and rumor-mongering with which he divided France from Britain. He is trying to do this with us even now. But he will find a unity of will and purpose against him, which will persevere until the destruction of all his black designs upon the freedom and safety of the people of the world.

We cannot wage this war in a defensive spirit. As our power and our resources are fully mobilized, we shall carry the attack against the enemy — we shall hit him and hit him again wherever and whenever we can reach him.

We must keep him far from our shores, for we intend to bring this battle to him on his own home grounds.

American armed forces must be used at any place in all the world where it seems advisable to engage the forces of the enemy. In some cases these operations will be defensive, in order to protect key positions. In other cases, these operations will be offensive, in order to strike at the common enemy, with a view to his complete encirclement and eventual total defeat.

American armed forces will operate at many points in the Far East.

American armed forces will be on all the oceans — helping to guard the essential communications which are vital to the United Nations.

American land and air and sea forces will take stations in the British Isles — which constitute an essential fortress in this great world struggle.

American armed forces will help to protect this hemisphere —

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and also help to protect bases outside this hemisphere, which could be used for an attack on the Americas.

If any of our enemies, from Europe or from Asia, attempt long-range raids by "suicide" squadrons of bombing planes, they will do so only in the hope of terrorizing our people and disrupting our morale. Our people are not afraid of that. We know that we may have to pay a heavy price for freedom. We will pay this price with a will. Whatever the price, it is a thousand times worth it. No matter what our enemies, in their desperation, may attempt to do to us — we will say, as the people of London have said, "We can take it." And what's more we can give it back — and we will give it back — with compound interest.

When our enemies challenged our country to stand up and fight, they challenged each and every one of us. And each and every one of us has accepted the challenge — for himself and for his Nation.

There were only some 400 United States Marines who in the heroic and historic defense of Wake Island inflicted such great losses on the enemy. Some of those men were killed in action; and others are now prisoners of war. When the survivors of that great fight are liberated and restored to their homes, they will learn that a hundred and thirty million of their fellow citizens have been inspired to render their own full share of service and sacrifice.

We can well say that our men on the fighting fronts have already proved that Americans today are just as rugged and just as tough as any of the heroes whose exploits we celebrate on the Fourth of July.

Many people ask, "When will this war end?" There is only one answer to that. It will end just as soon as we make it end, by our combined efforts, our combined strength, our combined determination to fight through and work through until the end — the end of militarism in Germany and Italy and Japan. Most certainly we shall not settle for less.

That is the spirit in which discussions have been conducted during the visit of the British Prime Minister to Washington.

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Mr. Churchill and I understand each other, our motives and our purposes. Together, during the past two weeks, we have faced squarely the major military and economic problems of this greatest world war.

All in our Nation have been cheered by Mr. Churchill's visit. We have been deeply stirred by his great message to us. He is welcome in our midst, and we unite in wishing him a safe return to his home.

For we are fighting on the same side with the British people, who fought alone for long, terrible months, and withstood the enemy with fortitude and tenacity and skill.

We are fighting on the same side with the Russian people who have seen the Nazi hordes swarm up to the very gates of Moscow, and who with almost superhuman will and courage have forced the invaders back into retreat.

We are fighting on the same side as the brave people of China — those millions who for four and a half long years have withstood bombs and starvation and have whipped the invaders time and again in spite of the superior Japanese equipment and arms.

Yes, we are fighting on the same side as the indomitable Dutch.

We are fighting on the same side as all the other Governments in exile, whom Hitler and all his armies and all his Gestapo have not been able to conquer.

But we of the United Nations are not making all this sacrifice of human effort and human lives to return to the kind of world we had after the last world war.

We are fighting today for security, for progress, and for peace, not only for ourselves but for all men, not only for one generation but for all generations. We are fighting to cleanse the world of ancient evils, ancient ills.

Our enemies are guided by brutal cynicism, by unholy contempt for the human race. We are inspired by a faith that goes back through all the years to the first chapter of the Book of Genesis: "God created man in His own image."

We on our side are striving to be true to that divine heritage. We are fighting, as our fathers have fought, to uphold the doc-

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trine that all men are equal in the sight of God. Those on the other side are striving to destroy this deep belief and to create a world in their own image — a world of tyranny and cruelty and serfdom.

That is the conflict that day and night now pervades our lives. No compromise can end that conflict. There never has been — there never can be — successful compromise between good and evil. Only total victory can reward the champions of tolerance, and decency, and freedom, and faith.

**NOTE:** As was his general custom, the President delivered his Annual Message to the Congress in person and it was broadcast to the Nation and to the world. Since the time of Thomas Jefferson, no President, except Woodrow Wilson, made a personal appearance at the Capitol to deliver a message to the Congress. They sent their messages up to the Congress to be intoned by reading clerks. President Roosevelt followed out the Wilsonian habit and appeared in person to deliver

his most important messages.

The State of the Union Message of 1942 was the first major address the President made to the American people since his fireside chat two days after Pearl Harbor (see Item 127, 1941 volume). It was delivered at a time when the outlook for victory was bleak indeed. Japan was spreading her forces southward at a rate unprecedented in the history of world conquest, and German submarine attacks were taking new tolls of Allied shipping.

## 6 ¶ The President Establishes the National War Labor Board. Executive Order No. 9017.

**January 12, 1942**

WHEREAS by reason of the state of war declared to exist by joint resolutions of the Congress, approved December 8, 1941, and December 11, 1941, respectively (Public Laws Nos. 328, 331, 332, 77th Congress), the national interest demands that there shall be no interruption of any work which contributes to the effective prosecution of the war; and

WHEREAS as a result of a conference of representatives of labor

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and industry which met at the call of the President on December 17, 1941, it has been agreed that for the duration of the war there shall be no strikes or lockouts, and that all labor disputes shall be settled by peaceful means, and that a National War Labor Board be established for the peaceful adjustment of such disputes:

Now, THEREFORE, by virtue of the authority vested in me by the Constitution and the statutes of the United States, it is hereby ordered:

1. There is hereby created in the Office for Emergency Management a National War Labor Board, hereinafter referred to as the Board. The Board shall be composed of twelve special commissioners to be appointed by the President. Four of the members shall be representative of the public; four shall be representative of employees; and four shall be representative of employers. The President shall designate the Chairman and Vice Chairman of the Board from the members representing the public. The President shall appoint four alternate members representative of employees and four representative of employers, to serve as Board members in the absence of regular members representative of their respective groups. Six members or alternate members of the Board, including not less than two members from each of the groups represented on the Board, shall constitute a quorum. A vacancy in the Board shall not impair the right of the remaining members to exercise all the powers of the Board.

2. This Order does not apply to labor disputes for which procedures for adjustment or settlement are otherwise provided until those procedures have been exhausted.

3. The procedures for adjusting and settling labor disputes which might interrupt work which contributes to the effective prosecution of the war shall be as follows: (a) The parties shall first resort to direct negotiations or to the procedures provided in a collective bargaining agreement. (b) If not settled in this manner, the Commissioners of Conciliation of the Department of Labor shall be notified if they have not already intervened in

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the dispute. (c) If not promptly settled by conciliation, the Secretary of Labor shall certify the dispute to the Board, provided, however, that the Board in its discretion after consultation with the Secretary may take jurisdiction of the dispute on its own motion. After it takes jurisdiction, the Board shall finally determine the dispute, and for this purpose may use mediation, voluntary arbitration, or arbitration under rules established by the Board.

4. The Board shall have power to promulgate rules and regulations appropriate for the performance of its duties.

5. The members of the Board (including alternates) shall receive necessary traveling expenses, and, unless their compensation is otherwise prescribed by the President, shall receive in addition to traveling expenses \$25.00 per diem for subsistence expense on such days as they are actually engaged in the performance of duties pursuant to this Order. The Board is authorized to appoint and fix the compensation of its officers, examiners, mediators, umpires, and arbitrators; and the Chairman is authorized to appoint and fix the compensation of other necessary employees of the Board. The Board shall avail itself, insofar as practicable, of the services and facilities of the Office for Emergency Management and of other departments and agencies of the Government.

6. Upon the appointment of the Board and the designation of its Chairman, the National Defense Mediation Board established by Executive Order No. 8716 of March 19, 1941, shall cease to exist. All employees of the National Defense Mediation Board shall be transferred to the Board without acquiring by such transfer any change in grade or civil service status. All records, papers, and property, and all unexpended funds and appropriations for the use and maintenance of the National Defense Mediation Board shall be transferred to the Board. All duties with respect to cases certified to the National Defense Mediation Board shall be assumed by the Board for discharge under the provisions of this Order.

7. Nothing herein shall be construed as superseding or in con-

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flict with the provisions of the Railway Labor Act (Act of May 20, 1926, as amended, 44 Stat. 577; 48 Stat. 926, 1185; 49 Stat. 1169; 45 U. S. Code 151), the National Labor Relations Act (Act of July 5, 1935, 49 Stat. 457; 29 U. S. Code 151 et seq.), the Fair Labor Standards Act (Act of June 25, 1938; 52 Stat. 1060; 29 U. S. Code 201 et seq.), and the Act to provide conditions for the purchase of supplies, etc., approved June 30, 1936 (49 Stat. 2036; 41 U. S. Code, sections 35-45), or the Act amending the Act of March 3, 1931, relating to the rate of wages for laborers and mechanics, approved August 30, 1935 (49 Stat. 1011; 40 U. S. Code, Section 276 et seq.).

**NOTE:** The National War Labor Board resulted directly from the President's Labor-Management Conference held in December, 1941. (See Item 130 and note, 1941 volume.) It was the wartime successor to the National Defense Mediation Board (see Item 20 and note, 1941 volume).

There were several differences between the new Board and the old National Defense Mediation Board. The new Board consisted of twelve members rather than eleven. The increase was due to the addition of a public member so that labor, industry, and the public each had four representatives.

Second, the new National War Labor Board had power to take jurisdiction of a dispute in its own discretion after consultation with the Secretary of Labor; the old Board had been required to await the Secretary of Labor's certification of a dispute to it. In practice, however, this provision did not prove of importance because of the close

relations between the Board and the Department of Labor.

Third, the National Defense Mediation Board had been without authority to do anything more than make its findings and recommendations public — and rely upon public opinion to prevent further conflict. The National War Labor Board, on the other hand, could impose arbitration under the rules which it established.

Fourth, the Board was in a much stronger position to prevent work stoppages by reason of the no-strike pledge signed at the Labor-Management Conference.

Fifth, the National War Labor Board devoted much time and attention to the adjustment of general wage levels, while the National Defense Mediation Board developed no over-all policy for the stabilization of wages beyond the immediate case with which it was confronted. After the War Labor Board had been operating for several months, the President called for

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the stabilization of wages; the Stabilization Act of 1942 and the Executive Order establishing the Office of Economic Stabilization empowered the National War Labor Board to fix wage rates (see Items 47, 91, 92, and 97 and notes, this volume).

Twenty-two unsettled cases were carried over from the old National Defense Mediation Board and were settled by the National War Labor Board. In spite of the differences between the two Boards in their organization and powers, continuity of operation was provided in handling these and other cases. The tripartite character of both Boards served successfully to bring disagreements into the open and to reach settlements with assurance of subsequent stability. Both Boards emphasized mediation and the process of collective bargaining in order to obtain more lasting agreements. Both Boards could rely upon the ultimate weapon of Presidential seizure of plants in the event that negotiations failed or either of the parties refused to abide by the decision.

The jurisdiction of the National War Labor Board extended to all non-governmental establishments except those involving railroad and agricultural workers, and to all classes of employees and their supervisors; and it covered all issues generally subject to collective bargaining.

The Board worked very closely with the Conciliation Service of the Department of Labor, which ad-

judicated a number of disputes before it referred them to the Board. Later, as the Board was given additional jurisdiction to stabilize wages, increasing use was made of wage data furnished by the Bureau of Labor Statistics. The services of the Wage and Hour and Public Contracts Divisions of the Department of Labor were also utilized in administering and enforcing the wage stabilization program.

As a result of the Board's decisions, a new body of labor principles was accumulated. These patterns were filled in and expanded in detail as the war progressed. Whenever possible, the disputants were urged to resolve their own differences. When a strike actually occurred, informal means were usually exhausted before action was taken by the Board. Informal conferences were stimulated by agents of the Board, or messages would be dispatched to the management and workers suggesting that they return to work. It was only when such informal devices failed that labor and management were summoned to a public hearing to show cause why the strike should not end.

In the period from its establishment until V-J Day, the National War Labor Board closed 17,650 dispute cases, involving 12.2 million workers. In only 46 cases did the Board fail to obtain a voluntary agreement or acceptance of its directive orders. Those 46 cases were referred to the President. Presiden-

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tial seizure of the plant or industry followed referral of most of these cases by the Board.

On repeated occasions between 1942 and 1944, the officials of Montgomery Ward and Company challenged the constitutional right of the President to seize struck plants. They employed many devices to block and discredit the National War Labor Board in its settlement of labor disputes. Nevertheless, the power of Presidential seizure was upheld by the Circuit Court of Appeals for the Seventh Circuit in the case of *United States vs. Montgomery Ward and Company, Inc., et al.*, June 8, 1945 (150 F(2d)369). After the company had been returned to its owners in August, 1945, the United States Supreme Court declined (326 U. S. 690) to review the Circuit Court decision, thereby making the latter decision the final judicial ruling on the constitutionality of the seizure.

During the war period there was a popular impression that strikes and lockouts had increased despite the pledges of the Labor-Management Conference and the work of the National War Labor Board. Against the background of the tremendous tensions created by the war, the upheaval in methods of production, the movement of labor to different geographical areas, and the great turnover in labor because so many workers went into the armed forces, the record of war strikes is actually very small. The percentage of all working time

which was lost by strikes and lockouts from Pearl Harbor to V-J Day was 11/100 of 1 percent. This figure contrasts with the percentage of 27/100 of 1 percent of all working time which was lost by strikes and lockouts in the five years of 1935 through 1939. Therefore, the operation of the wartime labor program actually reduced the loss of production time during the war to approximately one-third of the loss during the preceding peacetime period. Less than 30 percent of the strikes and lockouts which occurred during the war were handled by the National War Labor Board; the others occurred and were ended before they were certified to the Board.

Another indication of the effectiveness of the wartime mechanisms for handling labor disputes is the gradual reduction in the average duration of strikes. The following table illustrates this reduction:

Year	Average Duration of Strikes
1939	23 days
1940	21 days
1941	18 days
1942	12 days
1943	5 days
1944	5½ days

The American people occasionally became impatient during the war with the length of time it took the Board to arrive at its decisions, or with the substance of its decisions. Those hostile to labor, in and out of the Congress, repeatedly demanded that the power of Govern-

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ment be used to crush strikes and thwart labor. The President refused to heed such demands. He was insistent that the rights of labor be preserved and protected during wartime, and that a strong labor movement was a necessary bulwark in a free democracy even at war.

Yet the President used his full

powers as Commander in Chief of the Army and Navy, when the occasion demanded, to prevent either stubborn labor leaders such as John L. Lewis or arrogant corporate officials such as Sewell Avery from defying the War Labor Board's rulings and paralyzing the war effort.

## **7 ¶ The President Suggests Reforms in Congressional Handling of Private Claims and Bridge Legislation. January 14, 1942**

*To the Congress:*

IN THESE critical days of our national defense effort, I feel there should be a joint endeavor on the part of the Congress and of the heads of the executive branch of the Government to divest our minds as far as possible of matters of lesser importance which consume considerable time and effort. We should grant the responsibility for handling such matters to those equipped with year-around facilities and time to dispose of them.

For instance, it is well known to the Congress and to me that more than 2,000 private claim bills are introduced in each Congress, and that a substantial percentage of these bills present claims for property damage or personal injury. While the executive departments and establishments may now settle claims up to \$1,000 for property loss or damage and in a few instances claims for personal injury up to \$500, a great number of cases not falling within these classifications are introduced in the Congress as private claim bills.

They consume a great amount of the time of the Congress and the President, and give rise to considerable expense.

During the last three Congresses, almost 6,300 private claim bills were introduced, an average of more than 2,000 per Con-

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gress, of which less than 20 percent became law. And of all the bills which I vetoed during these Congresses, fully one-third were made up of private claim bills.

It is estimated that the expenses of the executive and legislative branches in considering the claim bills of each Congress, excluding salaries of Congressmen, are in the neighborhood of \$125,000; that the printing costs alone of the claim bills which fail to become law are almost \$19,000 per Congress; and that it costs almost \$200 to pass a single bill. When it is considered that some claim bills are enacted in amounts much less than \$200, the wisdom of our present procedure is questionable.

As the Congress knows, this question has been considered many times before. During the past twenty years, members of the Congress have frequently pointed out that the procedure for relief of tort claims by special act is slow, expensive, and unfair both to the Congress and to the claimant, and several attempts have been made to enact legislation submitting all negligence claims to administrative or judicial determination.

The question arises why the Congress and the President should continue to devote so much time to the consideration and approval of these numerous individual cases.

I suggest that the executive departments and independent establishments be authorized to adjust and determine tort claims up to \$1,000, with review by the Attorney General of awards over \$500. I also suggest that the United States District Courts be given jurisdiction over claims of this nature up to \$7,500, with a right of appeal to the Court of Claims. The passage of such legislation would be of real assistance to the Congress and to the President, at a time when matters of grave national importance demand an ever increasing share of our attention. It would also make available a means of dispensing justice simply and effectively to tort claimants against the Government, and give them the same right to a day in court which claimants now enjoy in fields such as breach of contract, patent infringement, or admiralty claims.

I should point out that the Congress, if this procedure were

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adopted, would, of course, retain every right to enact legislation granting relief, or further relief, in the event that in any special case the Congress felt that justice had been denied.

There is another class of legislation with respect to which I recommend a simplification of procedures. I refer to the legislation governing the construction of bridges over navigable waters of the United States. During the 76th Congress, more than 100 public enactments authorized the construction or extended the permissible time of construction of bridges affecting navigation. The passage of each one of these acts unquestionably costs the taxpayers several hundred dollars and consumes a large amount of time in the Congress, in the War Department, and at the White House. Under prevailing law, the Secretary of War and the Chief of Engineers are responsible for approving location, engineering plans, and other important features of such bridge enterprises as may be authorized by the Congress, so that administrative action is essential to the execution of the enterprise after Congress grants its authorization. I suggest that in order to save time and money, Congress consider passing an enabling act delegating to the Secretary of War the responsibility for authorizing the construction and maintenance of bridges over navigable waters in accordance with such general policy as may be prescribed by the Congress. The Secretary of War would, of course, render periodic reports on all applications made.

These two matters may seem of little importance in these difficult days, but I am certain that the Congress will sympathize with the efforts I am making to save motion in the conduct of the Government.

**NOTE:** Habit and tradition in the face of vastly increasing complexity in the business of Government resulted in an enormous consumption of time and energy, both of the Congress and of the Chief Executive, in the consideration of special legislation which could be

handled more efficiently and with greater justice by other branches of Government. In passing on the multitudinous private claims bills — involving such matters as compensation arising out of accidents in which Federal vehicles were involved — which arose in each ses-

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sion of Congress, Congress was acting as a judicial tribunal without the facilities, attention, or even impartiality (for the claims are traditionally pressed by the legislator whose constituent is involved) of such a tribunal. The President could hardly be expected to lay aside the pressing national and international problems which faced him in order to determine the justice of all private claims bills passed by Congress. In another day, President Grover Cleveland was able intensively to examine private claims bills; as a result he vetoed a record number of such bills which he deemed unjustified or fraudulent. But of course the burden of the Presidency has inordinately increased since President Cleveland's time, and no longer can a President afford to devote more than casual attention to such legislation which, however important to the individuals involved, was insignificant on a national scale.

In the foregoing message to the Congress, the President recommended that executive departments and independent establishments be authorized to adjust and determine tort claims up to \$1,000, with review by the Attorney General of awards over \$500; that the United States District Courts be given jurisdiction over claims up to \$7,500 with a right of appeal to the Court of Claims; and that the Congress delegate to the Secretary of War the responsibility for authorizing the construction and maintenance

of bridges over navigable waters.

During 1945, a Joint Committee on the Organization of Congress, under the chairmanship of Senator Robert M. La Follette, Jr., of Wisconsin and under the vice-chairmanship of Representative A. S. Mike Monroney of Oklahoma held public hearings on proposals for the strengthening of Congressional organization and its relations with the executive branch. This Joint Committee reported on March 4, 1946, and recommended "that Congress delegate authority to the Federal courts and to the Court of Claims to hear and settle claims against the Federal Government; and that Government agencies and departments be empowered to handle local and private matters now provided for in private bills, such as private pension bills and bills authorizing construction of bridges over navigable streams." The Joint Committee made many other recommendations designed to improve the organization and functioning of the Congress, in addition to the reforms urged by the President in the foregoing message.

After the report of the Joint Committee the Congress passed, and President Truman approved, the Legislative Reorganization Act of 1946 (Public Law No. 601, 79th Congress, approved August 2, 1946). Title IV of that Act, known as the "Federal Tort Claims Act," and Title V, known as the "General Bridge Act," carried out the recommendations which President Roose-

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velt had made in the foregoing message of January 14, 1942. The Federal Tort Claims Act conferred authority on Federal agencies to adjust tort claims against the United States of \$1,000 or less; suits were allowed in the United States District Courts and provision was made for appeal from the agencies to the Court of Claims. The General Bridge Act eliminated the necessity of a special act of Congress

to authorize the construction of individual bridges and gave general advance Congressional consent to all bridges the location, plans, and specifications of which had been approved by the Secretary of War and the Chief of Engineers. The Legislative Reorganization Act also embodied many other reforms in addition to those urged by the President.

## 8 ¶ The President Transmits to the Congress a Report on Development of National Resources.

January 14, 1942

*To the Congress:*

PLANS and programs to win the war and to win the peace must grow out of our common national purpose and with democratic participation in planning by all of us. Through efforts to state our objectives and public discussion of their merits, we play our parts as free citizens. In that spirit, I am transmitting herewith for the information of the Congress the "Development of National Resources — Report for 1942," prepared by the National Resources Planning Board, continuing the series begun last year and establishing the custom of an annual planning report as a companion document to the Budget of the United States.

The National Resources Planning Board, as the planning arm of my Executive Office, is charged with the preparation of long-range plans for the development of our national resources and the stabilization of employment. At my direction, it is correlating plans and programs under consideration in many Federal, State, and private organizations for postwar full employment, security, and building America. In this report the Board outlines some of our major objectives in planning to win the peace.

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To facilitate its use by the Congress, I recommend that this report on these plans and programs be printed, together with supporting illustrations and tables, in conformity with similar reports by the Board.

**NOTE:** With the foregoing message the President transmitted to the Congress the report on "Development of National Resources — Report for 1942" prepared by the National Resources Planning Board.

The Report was divided into three parts, as follows: Part I restated major planning objectives, summarized the planning activities of the Board in the war effort, and presented the lines of action to be explored and developed as elements of a postwar program; Part II presented the program of public works with a record of the progress in public works planning; Part III included a series of policy statements, prepared by consultants and staff of the Board, on postwar planning in various fields.

The most important portion of this Report was the nine-point declaration of principles which the President later dramatized in slightly altered form as the "Economic Bill of Rights," which he set forth in his 1944 State of the Union Message and in the Chicago address of the 1944 campaign (see Items 4 and 100, 1944-1945 volume). The President also had participated in discussions with the National Resources Planning Board prior to the formulation of this declaration of economic objectives. The Board

pointed out that the current generation faced "new pressures of power, production and population which our forefathers did not face," and stated:

"Great changes have come in our century with the industrial revolution, the rapid settlement of the continent, the development of technology, the acceleration of transportation and communication, the growth of modern capitalism, and the rise of the national state with its economic programs. Too few corresponding adjustments have been made in our provisions for human freedom. In spite of all these changes, that great manifesto, the Bill of Rights, has stood unshaken 150 years. And now to the old freedoms we must add new freedoms and restate our objectives in modern terms."

These new freedoms were first stated in the 1942 Report of the National Resources Planning Board, as follows:

- "1. The right to work, usefully and creatively through the productive years.
- "2. The right to fair pay, adequate to command the necessities and amenities of life in exchange for work, ideas, thrift and other socially valuable service.
- "3. The right to adequate food, clothing, shelter and medical care.
- "4. The right to security, with freedom from fear of old age, want, dependency, sickness, unemployment and accident.

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- "5. The right to live in a system of free enterprise, free from compulsory labor, irresponsible private power, arbitrary public authority and unregulated monopolies.
- "6. The right to come and go, to speak or to be silent, free from the spyings of secret political police.
- "7. The right to equality before the law, with equal access to justice in fact.
- "8. The right to education, for work, for citizenship and for personal growth and happiness.
- "9. The right to rest, recreation and adventure, the opportunity to enjoy and take part in an advancing civilization."

## **9 ¶ The War Production Board Is Established. Executive Order No. 9024. January 16, 1942**

BY VIRTUE of the authority vested in me by the Constitution and statutes of the United States, as President of the United States and Commander in Chief of the Army and Navy, and in order to define further the functions and duties of the Office for Emergency Management with respect to the state of war declared to exist by Joint Resolutions of the Congress, approved December 8, 1941, and December 11, 1941, respectively, and for the purpose of assuring the most effective prosecution of war procurement and production, it is hereby ordered as follows:

1. There is established within the Office for Emergency Management of the Executive Office of the President a War Production Board, hereinafter referred to as the Board. The Board shall consist of a Chairman, to be appointed by the President, the Secretary of War, the Secretary of the Navy, the Federal Loan Administrator, the Director General and the Associate Director General of the Office of Production Management, the Administrator of the Office of Price Administration, the Chairman of the Board of Economic Warfare, and the Special Assistant to the President supervising the defense aid program.

2. The Chairman of the War Production Board, with the advice and assistance of the members of the Board, shall:

- (a) Exercise general direction over the war procurement and production program.
- (b) Determine the policies, plans, procedures, and methods of

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the several Federal departments, establishments, and agencies in respect to war procurement and production, including purchasing, contracting, specifications, and construction; and including conversion, requisitioning, plant expansion, and the financing thereof; and issue such directives in respect thereto as he may deem necessary or appropriate.

(c) Perform the functions and exercise the powers vested in the Supply Priorities and Allocations Board by Executive Order No. 8875 of August 28, 1941.

(d) Supervise the Office of Production Management in the performance of its responsibilities and duties, and direct such changes in its organization as he may deem necessary.

(e) Report from time to time to the President on the progress of war procurement and production; and perform such other duties as the President may direct.

3. Federal departments, establishments, and agencies shall comply with the policies, plans, methods, and procedures in respect to war procurement and production as determined by the Chairman; and shall furnish to the Chairman such information relating to war procurement and production as he may deem necessary for the performance of his duties.

4. The Army and Navy Munitions Board shall report to the President through the Chairman of the War Production Board.

5. The Chairman may exercise the powers, authority, and discretion conferred upon him by this Order through such officials or agencies and in such manner as he may determine; and his decisions shall be final.

6. The Chairman is further authorized within the limits of such funds as may be allocated or appropriated to the Board to employ necessary personnel and make provision for necessary supplies, facilities, and services.

7. The Supply Priorities and Allocations Board, established by the Executive Order of August 28, 1941, is hereby abolished, and its personnel, records, and property transferred to the Board. The Executive Orders No. 8629 of January 7, 1941, No. 8875 of August 28, 1941, No. 8891 of September 4, 1941, No. 8942

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of November 19, 1941, No. 9001 of December 27, 1941, and No. 9023 of January 14, 1942, are hereby amended accordingly, and any provisions of these or other pertinent Executive Orders conflicting with this Order are hereby superseded.

**NOTE:** The War Production Board, known popularly as W.P.B., established by the foregoing Order, centralized authority over war procurement and production. The new Board took over the powers previously exercised by the Supply Priorities and Allocations Board (see Item 83 and note, 1941 volume); and by the issuance of Executive Order No. 9040, January 24, 1942, the President also transferred to the new Board the functions formerly exercised by the Office of Production Management (see Items 153 and 154, pp. 679-702, and note, 1940 volume).

The President appointed Donald M. Nelson as Chairman of the War Production Board. He announced that Mr. Nelson would be charged with the direction of the production program, would have general supervision over all production agencies, and that his decision on questions of procurement and production would be final, subject only to the review of the President. As indicated in the foregoing Executive Order, the Chairman of the W.P.B. acted with the advice and assistance of the members of the Board. The Board members were the same eight officials who had constituted the Supply Priorities and Allocations Board.

Following the abolition of the

Office of Production Management, William S. Knudsen was nominated by the President to be a Lieutenant General and placed in charge of War Department production; Sidney Hillman, former Associate Director General of the Office of Production Management, was designated Director of the Labor Division of the War Production Board, and later was named Special Assistant to the President on labor matters.

The power over placing war contracts and the actual procurement of war materials were not shifted to the W.P.B.; they were left with the Army and Navy. Agreements were concluded by the W.P.B. with both the Army and the Navy during the spring of 1942 to coordinate their respective activities. Unfortunately, although perhaps inevitably, these agreements did not prevent frequent conflict between the W.P.B. and the armed services over many questions. There were disagreements as to the estimates of military requirements, the amount of materials which might be allocated to civilians and civilian production, the relation of strategic decisions to production objectives, and, in the latter phases of the war, the rate of conversion to civilian production.

Many of these conflicts appeared

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in the press, which seemed to delight in playing them up. A large number of the conflicts, however, never reached the press, and were settled before they became public.

A great many of them were settled either around the conference table or by the intervention of others, such as Mr. Bernard M. Baruch, who was consulted frequently by parties to interdepartmental disputes. The more serious, however, had to be settled by the President himself. I have seen him spend many hours, and often many days, deciding such disputes between the Army and the W.P.B. After the establishment of O.W.M. (see note to Item 56, 1943 volume) these disputes were generally referred to the Director of O.W.M. Some cases were, however, so serious that even after 1943 the President himself had to decide them.

The hostile newspapers often tried to create the impression that these conflicts took up a good share of the war activities of the Administration. This is, of course, not true. Public attention was directed at the disputes by those newspapers whenever news of them appeared. Public attention was seldom directed by the press, however, to the miraculous accomplishments of this team of the armed forces and the W.P.B. I doubt whether in this unprecedented program of war production between 1941 and 1945, amounting to hundreds of billions of dollars, there was any more conflict than between the heads of dif-

ferent departments of any of the large corporations of the United States. The only difference is that in private industry the conflicts do not become matters of public knowledge—chiefly because the public would not be interested in hearing about them.

Ten days prior to the creation of the W.P.B., the President in his Annual Message to the Congress on the State of the Union (see Item 5, this volume) had reported the new and staggering production goals established to win the war. As announced in that Message, the President directed that 60,000 planes should be produced in 1942 and 125,000 in 1943; that 45,000 tanks be produced in 1942 and 75,000 in 1943; that 20,000 anti-aircraft guns be produced in 1942 and 35,000 in 1943; that 6,000,000 dead-weight tons of merchant ships be built in 1942, and 10,000,000 in 1943. These were the goals which the W.P.B. had to help American industry to attain.

The W.P.B. faced a number of challenging problems in mobilizing American industry to meet these stupendous goals set by the President. Progress toward the goals had to be accomplished by careful planning of the use of such vital materials as steel, copper, and aluminum. The output of raw materials had to be expanded rapidly. Although many plants had been converted to defense production even before Pearl Harbor, the demands of war in 1942 required an enor-

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mous increase in the *rate* of conversion to war production. Systems of priorities, allocations, apportionment and scheduling had to be developed to a fine degree.

Initially, there were discouraging shortages in plant, equipment, and machine tools. No synthetic rubber or aviation gasoline plants of any size existed before the war. Unprecedented expansion was necessary in such industries as explosives, guns and ammunition, aircraft, and shipbuilding. Two out of three dollars of the cost of this expansion was financed from the public treasury.

The graph of war production rose almost perpendicularly during the early war years. In the last half of 1940, the value of munitions output was approximately 341 million dollars a month; in November, 1943 (the peak month of munitions production), the United States produced 5 billion dollars' worth — or nearly fifteen times as much as the average in the last half of 1940. Munitions output soared from a value of 8.4 billion dollars in 1941 to 30.2 billions in 1942, 51.7 billions in 1943, and 57.6 billions in 1944.

In sum, from the beginning of the defense program in July, 1940, until V-J Day the United States produced munitions of a total value of 183.1 billion dollars. This total included 299,300 military and special purpose aircraft and 72,100 naval ships. Huge increases were also achieved in the manufacturing, mining, and construction indus-

tries, which doubled their production between 1939 and 1944.

The production war was won in 1943. By the end of 1943, war production capacity had been filled up to its peak, and our troops in the field had been supplied with their basic needs in equipment, transportation, and supplies. After 1943 there was still need to maintain a current flow of supplies to the troops, and to continue the expansion of the production of aircraft, radar, ships, rubber, aviation gasoline, and some other items which were urgently needed. In 1943 the problem of war production shifted from providing productive capacity and plant facilities to procurement of adequate manpower. During 1943 and thereafter, it was the critical shortages in manpower which threatened the success of the war production program rather than shortages in plant capacity, equipment, and machine tools. (See Item 44 and note, this volume, for an account of the work of the War Manpower Commission.)

A number of miscalculations were made in the prewar period. Perhaps the most notable of these errors was the failure adequately to stockpile certain materials. Resistance came principally from shortsighted industrialists who were afraid of the pressure of such supplies on the price structure in the event that war with Japan did not materialize.

Some miscalculations were also made after the war started. The

## *9. War Production Board*

rapid expansion of manufacturing capacity during 1942 was pressed so hard that in some cases there were insufficient raw materials to keep up with the manufacturing.

Hindsight makes it easy to find flaws and mistakes in the war production program. The overriding fact, however, is that American industry was mobilized for war in record time, the munitions of war were produced with sufficient speed to arm our own troops and our allies as well, and the "bridge of ships" to all theaters of war was able to deliver the goods.

During 1942, the W.P.B. used the Production Requirements Plan as a means of allocating critical materials among those who needed them for war. Under this plan, manufacturers filed with the W.P.B. statements of the critical materials to be used in their scheduled production, quantities on hand, orders, and monthly requirements. The Requirements Committee of the W.P.B. then made monthly allotments to each plant. It used as the basis of this allocation the total national requirements, availability of materials, and relative priority of the items desired by the plants and the need for the products to be manufactured by the plants.

During 1943, the W.P.B. substituted the Controlled Materials Plan for the Production Requirements Plan. Under the new plan, the Requirements Committee of the W.P.B. allocated materials by major programs and then passed priorities

on from the procurement agencies to the prime contractor, then to his subcontractor, and so on down the subcontracting chain. The latter plan was maintained throughout the balance of the war.

The W.P.B. of course, was only one of the Federal agencies engaged in stimulating war production. The procurement agencies in the armed services, Maritime Commission, and Treasury Department were all jointly responsible for winning the battle of production. Control over certain commodities was not vested in the W.P.B. but in specialized war agencies such as the War Food Administration (see Item 133, this volume), the Petroleum Administration for War (see Item 131 and note, this volume), the Solid Fuels Administration for War (see Item 39 and note, 1943 volume), and the Office of Rubber Director (see Item 94, this volume). Although nominally under the War Production Board, the Office of Rubber Director operated with a considerable degree of independence. Coordinating authority over all these agencies including the War Production Board was placed eventually in the Office of War Mobilization and its successor, the Office of War Mobilization and Reconversion (see Item 56 and note, 1943 volume, and Item 81, 1944-1945 volume, for an account of the establishment and functions of the Office of War Mobilization and the Office of War Mobilization and Reconversion).

At the beginning of 1944, the

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W.P.B. concentrated on increasing the production of landing craft, troop transport ships, air-borne radar, heavy trucks and tractors, construction equipment, and long-range bombers. Planning for reconversion to a peacetime economy had commenced much earlier. In 1944 reconversion cutbacks in the production of munitions began. The successful sweep of American forces across France in the summer of 1944 brought a wave of optimism which resulted in new demands for reconversion and increases in civilian production. Cutbacks in munition production were stopped by the German counteroffensive in the Ardennes in December, 1944. Not until the spring of 1945 were cutbacks resumed and reconversion activities and policies begun again.

Ten days after the establishment of the W.P.B., the President and Prime Minister Churchill announced the creation of the Combined Raw Materials Board, the Munitions Assignments Board, and the Combined Shipping Adjustment Board. (See Item 11 and note, this volume.) These were international boards set up to achieve a speedier and more economical use of the combined resources of the United States and Great Britain. On June 9, 1942, the creation of

two additional inter-Allied boards was announced — the Combined Production and Resources Board and the Combined Food Board (see Item 62 and note, this volume). The W.P.B. worked closely with these combined Boards, supplied information and did staff work for them, and carried out their decisions and recommendations.

Statistics alone do not fully reflect the magnitude of the achievements of American labor and industry in the winning of the war. But statistics help. During 1943 and 1944, the United States produced approximately 40 percent of the total munitions produced by the whole world. This, added to the 31 percent of the world output produced by other Allied Nations, gave the United Nations an overwhelming superiority over the Axis powers in war production. This record is even more dramatic in the light of the fact that the Axis powers, for many years prior to the invasion of Poland, had been planning and producing for the war they knew was coming.

The following figures of production of several munitions items show the progress of the defense and war production programs from July 1, 1940, through July 31, 1945:

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PRODUCTION OF SELECTED MUNITIONS ITEMS  
JULY 1, 1940-JULY 31, 1945

Item		July 1, 1940, through Dec., 1941	1942	1943	1944	Jan. 1, 1945, through July 31, 1945	43,225	Cumulative
								July 1, 1940, through July 31, 1945
Military airplanes and special purpose aircraft.....	23,228	47,859	85,930	96,359	29,150	14,099	14,099	296,601
Naval ships (new construction; excluding small, rubber, and plastic boats).....	1,341	8,039	18,431	2,569,000	3,224,000	1,341,000	8,250,000	71,060
Displacement tonnage of above new naval construction.....	270,000	846,000	760	1,949	1,786	794	5,425	
Total Maritime Commission ships	136							
Dead-weight tonnage of above maritime construction.....	1,551,000	8,099,000	19,296,000	16,447,000	7,855,000	55,239,000		
Machine guns.....	126,113	666,820	830,384	798,782	302,798	2,724,897		
Tanks.....	4,238	23,884	29,497	17,565	11,184	86,388		

*10. Continuation of Professional Baseball*

## 10 ¶ The President Approves the Continuation of Professional Baseball During Wartime.

January 16, 1942

*My dear Judge:*

THANK you for yours of Jan. 14. As you will, of course, realize, the final decision about the baseball season must rest with you and the baseball club owners — so what I am going to say is solely a personal and not an official point of view.

I honestly feel that it would be best for the country to keep baseball going. There will be fewer people unemployed and everybody will work longer hours and harder than ever before.

And that means that they ought to have a chance for recreation and for taking their minds off their work even more than before.

Baseball provides a recreation which does not last over two hours or two hours and a half, and which can be got for very little cost. And, incidentally, I hope that night games can be extended because it gives an opportunity to the day shift to see a game occasionally.

As to the players themselves, I know you agree with me that individual players who are of active military or naval age should go, without question, into the services. Even if the actual quality of the teams is lowered by the greater use of older players, this will not dampen the popularity of the sport. Of course, if any individual has some particular aptitude in a trade or profession, he ought to serve the Government. That, however, is a matter which I know you can handle with complete justice.

Here is another way of looking at it — if 300 teams use 5,000 or 6,000 players, these players are a definite recreational asset to at least 20,000,000 of their fellow citizens — and that in my judgment is thoroughly worthwhile.

With every best wish,

Very sincerely yours,

Kenesaw M. Landis,  
Chicago, Illinois

## *11. Statement on Combined Boards*

**NOTE:** The President always maintained a hearty interest in baseball, and on several occasions threw out the first ball to inaugurate the new major league season. On one occasion, he stated that "when it comes to baseball I am the kind of fan who wants to get plenty of action for his money. . . . I must confess that I get the biggest kick out of the biggest score" (see Item 3, p. 10, 1937 volume).

His interest in the great American pastime was also shown by his occasional use of baseball analogies in his speeches. For example, in his second fireside chat on May 7, 1933, the President said: "I have no expectation of making a hit every time I come to bat. What I seek is the highest possible batting aver-

age, not only for myself but for the team" (see Item 50, p. 165, 1933 volume). The most spectacular example of this was the President's campaign address at Forbes Field, Pittsburgh — the home of the Pittsburgh Pirates — on October 1, 1936 (see Item 144, pp. 401-408, 1936 volume). The President started that speech with the comment that "a baseball park is a good place to talk about box scores," and proceeded to show how the record of his first term showed up on the scoreboard.

The foregoing letter was written to Judge Kenesaw M. Landis, Commissioner of Baseball, in response to Judge Landis' letter of January 14, 1942. (For presidential support of night baseball, see Item 140, 1944-1945 volume.)

## 11 ¶ White House Statement on Combined Raw Materials, Munitions Assignments, and Combined Shipping Adjustment Boards.

January 26, 1942

To FURTHER coordination of the United Nations war effort, the President and Prime Minister Churchill have set up three Boards to deal with munition assignments, shipping adjustment, and raw materials. The functions of these Boards are outlined in the following statements.

Members of the Boards will confer with representatives of the Union of Soviet Socialist Republics, China, and such other of the United Nations as are necessary to attain common purposes and provide for the most effective utilization of the joint resources of the United Nations.

## *II. Statement on Combined Boards*

### **COMBINED RAW MATERIALS BOARD**

A planned and expeditious utilization of the raw material resources of the United Nations is necessary in the prosecution of the war. To obtain such a utilization of our raw material resources in the most efficient and speediest possible manner, we hereby create the "Combined Raw Materials Board."

This Board will:

- (a) Be composed of a representative of the British Government and a representative of the United States Government. The British member will represent and act under the instruction of the Minister of Supply. The Board shall have power to appoint the staff necessary to carry out its responsibilities.
- (b) Plan the best and speediest development, expansion, and use of the raw material resources, under the jurisdiction or control of the two Governments, and make the recommendations necessary to execute such plans. Such recommendations shall be carried out by all parts of the respective Governments.
- (c) In collaboration with others of the United Nations work toward the best utilization of their raw material resources, and, in collaboration with the interested Nation or Nations, formulate plans and recommendations for the development, expansion, purchase, or other effective use of their raw materials.

### **MUNITIONS ASSIGNMENTS BOARD**

1. The entire munition resources of Great Britain and the United States will be deemed to be in a common pool, about which the fullest information will be interchanged.

2. Committees will be formed in Washington and London under the Combined Chiefs of Staff in a manner similar to the South-West Pacific Agreement. These Committees will advise on all assignments both in quantity and priority, whether to Great Britain and the United States or other of the United Nations in accordance with strategic needs.

## *11. Statement on Combined Boards*

3. In order that these Committees may be fully apprised of the policy of their respective Governments, the President will nominate a civil Chairman who will preside over the Committee in Washington, and the Prime Minister of Great Britain will make a similar nomination in respect of the Committee in London. In each case the Committee will be assisted by a Secretariat capable of surveying every branch and keeping in touch with the work of every subcommittee as may be necessary.

4. The civilian Chairman in Washington and London may invite representatives of the State Department, the Foreign Office, or production ministries or agencies to attend meetings.

### **COMBINED SHIPPING ADJUSTMENT BOARD**

1. In principle, the shipping resources of the two countries will be deemed to be pooled. The fullest information will be interchanged.

2. Owing to the military and physical facts of the situation around the British Isles, the entire movement of shipping now under the control of Great Britain will continue to be directed by the Ministry of War Transport.

3. Similarly, the appropriate authority in the United States will continue to direct the movements and allocations of United States shipping, or shipping of other powers under United States control.

4. In order to adjust and concert in one harmonious policy the work of the British Ministry of War Transport and the shipping authorities of the United States Government, there will be established forthwith in Washington a Combined Shipping Adjustment Board, consisting of a representative of the United States and a representative of the British Government, who will represent and act under the instructions of the British Minister of War Transport.

5. A similar Adjustment Board will be set up in London consisting of the Minister of War Transport and a representative of the United States Government.

## *II. Statement on Combined Boards*

6. In both cases the executive power will be exercised solely by the appropriate shipping agency in Washington and by the Minister of War Transport in London.

**NOTE:** After Pearl Harbor, Prime Minister Churchill and officials in several British war ministries came to Washington, D. C., for an extended series of conferences with the President and officials of the various Federal war agencies. (See Item 144 and note, 1941 volume.)

The foregoing announcement of the establishment of the Combined Raw Materials Board, the Munitions Assignments Board, and the Combined Shipping Adjustment Boards grew out of conversations between the President and Prime Minister Churchill and their staffs. After later conferences in the spring of 1942, the President announced the establishment of two additional Combined Boards—the Combined Food Board and the Combined Production and Resources Board (see Item 62 and note, this volume).

The central purposes of the Combined Boards were to promote close cooperation between the United States and Great Britain, to mobilize the combined resources of the two countries in order to achieve the maximum degree of striking power, and to advise on priorities and allocations of the existing resources of both countries.

At the apex of the joint British-American wartime structure were the Combined Chiefs of Staff. This body was composed of the United States Joint Chiefs of Staff (Fleet Admiral William D. Leahy, Chief

of Staff to the Commander in Chief of the United States Army and Navy; the United States Chief of Naval Operations; the Chief of Staff of the United States Army; and the Commanding General of the United States Army Air Forces), and representatives of the British Chiefs of Staff. Decisions of the Combined Chiefs of Staff determined strategy in military and naval affairs; and the decisions necessarily affected all other aspects of the Anglo-American war efforts.

The Munitions Assignments Board, announced in the foregoing statement, operated directly under the Combined Chiefs of Staff and maintained offices in both Washington and London. The President named Harry L. Hopkins as Chairman of the Munitions Assignments Board in Washington. Prime Minister Churchill named Oliver Lyttelton as Chairman of the corresponding London Board. The Munitions Assignments Board aided in achieving an effective pooling and allocation of British and American munitions. In making recommendations, they took into consideration the military and naval strategy, the extent of existing and future production, the means of transporting munitions, and the timing of the progress of the war. They also dealt with the methods by which munitions could be shipped to Russia under lend-lease and under the

## *12. Emergency Price Control Act*

various protocols concluded. (See Item 96 and note, 1941 volume, for an account of lend-lease aid to Russia.)

The Combined Raw Materials Board, announced in the foregoing statement, had the responsibility to review the United Nations' supply and requirements of the major critical and essential raw materials; and to recommend allocations of these materials among the United Nations. This Board also undertook steps, as the occasion required, to expand the supply, and conserve the use, of scarce raw materials. It coordinated the purchasing activities of the United States and Great Britain in foreign raw materials markets and otherwise sought to achieve the most effective use of raw materials. The Combined Raw Materials Board had American and British staffs of commodity experts. In addition it had an Advisory Operating Committee, on which were represented the War Production Board, Department of State, Foreign Economic Administration, and Office of Metals Reserve of the Reconstruction Finance Corporation, as well as British representatives.

The President's statement printed above concerning the Combined Shipping Adjustment Boards was necessarily general in nature because of the discussion then pending in this country which led to the establishment of the War Shipping Administration on February 7, 1942 (see Item 16 and note, this volume). The main function of the two Combined Shipping Adjustment Boards in Washington and London was to secure such interchange between the British and American pools of shipping as would result in the most effective wartime use of the shipping resources of both countries.

(For an account of the establishment and functions of the Combined Food Board and the Combined Production Resources Board, see Item 62 and note, this volume; for an account of the Joint War Production Committee and other examples of wartime economic cooperation between the United States and Canada, see Item 140 and note, 1941 volume. See Item 128 and note, 1944-1945 volume, for the statement which extended the life of the Combined Boards.)

## 12 ¶ Statement by the President on Signing the Emergency Price Control Act. January 30, 1942

THE Emergency Price Control Act of 1942 is an important weapon in our armory against the onslaught of the Axis powers.

Nothing could better serve the purposes of our enemies than that we should become the victims of inflation. The total effort

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needed for victory means, of course, increasing sacrifices from each of us, as an ever larger portion of our goods and our labor is devoted to the production of ships, tanks, planes, and guns. Effective price control will insure that these sacrifices are equitably distributed.

The Act, taken all in all, is a workable one. It accomplishes the fundamental objectives of setting up a single Administrator, and empowering him to establish maximum prices and rents over a broad field, to prohibit related speculative and manipulative practices, and to buy and sell commodities in order to obtain the maximum production. To make price and rent control effective, the Administrator is given adequate powers to license persons subject to the Act, to investigate and enjoin attempted violations, and to bring about the commencement of criminal proceedings against violators. Civil suits for treble damages by private persons provide an additional enforcement tool.

But a price control measure must fall far short of being a democratic instrument if it fails to surround the individual with safeguards against ill-considered or arbitrary action. This Act, while granting the Administrator broad powers, imposes upon him a responsibility of equal breadth for fair play. He must, so far as is practicable, consult with industry members before issuing price regulations, and must accompany each such regulation by a statement of the considerations upon which it is based. The provisions for adjustment assure flexibility in administration. Persons adversely affected by an order have a speedy and effective remedy in the Emergency Court of Appeals. The Administrator may proceed for the revocation of a license only through the courts. Finally, the Administrator is required to transmit quarterly progress reports to the Congress.

The farm program which has been developed since 1933 has set parity prices and income as a goal. There is nothing in this Act to prevent farmers receiving parity or a fair return. But I feel that most farmers realize that when farm prices go much above parity, danger is ahead. One of the best ways of avoiding

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excessive price rises, of course, is abundant production. And I hope agricultural prices can be maintained at such level as to give farmers a fair return for increasing production.

In giving my approval to this legislation, I am acting with the understanding, confirmed by Congressional leaders, that there is nothing contained therein which can be construed as a limitation upon the existing powers of governmental agencies, such as the Commodity Credit Corporation, to make sales of agricultural commodities in the normal conduct of their operations. In my Message to the Congress on August 25, 1941, disapproving the bill H. R. 5300, I pointed out the extreme disadvantages of any action designed to peg prices through the arbitrary withholding of Government-owned stocks from the normal channels of trade and commerce. I further pointed out that the Commodity Credit Corporation should be free to dispose of commodities acquired under its programs in an orderly manner, for otherwise it will be impossible to maintain an ever-normal granary, to protect farmers against surpluses and consumers against scarcity; and that to restrict the authority of this corporation would greatly increase its losses, nullify the effectiveness of existing programs, and by breaking faith with consumers be inconsistent with our present price control efforts.

I also should like to call attention to the fact that I am requesting the departments of the Government possessing commodities to make such commodities available to other departments in order to aid our war effort. This request, primarily, will affect the cotton stocks of the Commodity Credit Corporation and will permit such stocks to be utilized, directly or by exchange, in the production of war goods. Such transfers will be in addition to the quantities which are now available for sale. The request will also include grain and other commodities which may be needed by the departments concerned.

The enactment of price control legislation does not mean that the battle against inflation has been won. I have doubts as to the wisdom and adequacy of certain sections of the Act, and amendments to it may become necessary as we move ahead. Moreover,

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price control legislation alone cannot successfully combat inflation. To do that, an adequate tax and fiscal program, a broad savings program, a sound production program, and an effective priorities and rationing program, are all needed.

Finally, all bulwarks against inflation must fail, unless all of us — the businessman, the worker, the farmer, and the consumer — are determined to make those bulwarks hold fast. In the last analysis, as Woodrow Wilson said, "The best form of efficiency is the spontaneous cooperation of a free people."

**NOTE:** The Emergency Price Control Act of 1942 (56. Stat. 26) gave additional authority to the Office of Price Administration with which to control prices and check inflation. (See Item 70 and note, 1941 volume, for the President's message to the Congress asking for price control legislation. For an account of price control under the Price Stabilization Division of the Advisory Commission to the Council of National Defense and the work of the Office of Price Administration and Civilian Supply, see Item 53, pp. 241-250, 1940 volume, and Item 26 and note, 1941 volume.)

The Emergency Price Control Act considerably strengthened the Office of Price Administration. In order to fix maximum prices which would be "generally fair and equitable," the Price Administrator was directed by the Act to consider the prevailing prices between October 1 and October 15, 1941. As indicated in the foregoing statement of the President, consultation with representative members of the industry affected by price regulations was in most cases required before

regulations were issued. In emergencies, however, the Administrator was permitted by the Act to freeze prices without extensive investigation, for not more than sixty days.

The Act gave the Administrator power to control rents for housing accommodations where the pressure of defense activities had forced rents upward. In controlling rents, the O.P.A. first was required to designate as "defense rental areas" those sections where defense activities had affected rent levels. If, after sixty days following such designation, State and local legislative authorities, or the voluntary action of landlords, had not stabilized rents at the levels stipulated by O.P.A., the Act empowered the O.P.A. to freeze rents at the legal maximum for the duration of the war.

The powers of the Price Administrator to fix prices of agricultural commodities were limited under the terms of the Act. During the consideration of the Act in the Congress, the President, in a letter to Senator Alben Barkley, the Senate Majority Leader, on January

## *12. Emergency Price Control Act*

7, 1942, opposed the proposal to separate control of the prices of agricultural commodities from control of all other articles and vest it in the Department of Agriculture. The President's position no doubt influenced the framing of the Act, for the final provisions did not completely remove control over agricultural prices from the Price Administrator. Nevertheless, by the "Bankhead Amendment," the Act provided that no price of an agricultural commodity could be fixed without the prior approval of the Secretary of Agriculture.

Further, the Price Administrator's power to establish maximum agricultural prices could only be exercised when they had reached the very high levels specified in the Act. Maximum prices could not be established for an agricultural commodity until the price of the commodity had reached the highest of the following prices: (1) 110 percent of parity or a comparable price; (2) the market price as of October 1, 1941; (3) the market price as of December 15, 1941; and (4) the average price for such commodity during the period July 1, 1919, to June 30, 1920. Strong pressure from various farm organizations — particularly for the 110-percent parity provision — resulted in the incorporation of all these features in the new Act.

As indicated in the foregoing statement of the President, the Price Administrator was authorized by the Act to buy, sell, store, or use

any commodities in order to obtain maximum production. The Administrator was also given power to make subsidy payments to domestic producers. This subsidy authority received little notice at the time the Congress was considering the Emergency Price Control Act, but assumed great importance under the subsequent administration of the Act. Under it, the supplies of copper, lead, zinc, and other strategic materials were expanded through premiums paid to producers when they exceeded certain quotas, which generally were based on their 1941 output. In this way, the so-called "marginal producers" — operators of mines whose costs would have exceeded their profits had it not been for the Government subsidies — were able to keep on producing and selling within the maximum prices fixed by the O.P.A. ceilings. Not only was production increased and the prices of metal products stabilized by this means, but the Government was saved millions of dollars by lower prices on purchases of metal war material.

The Emergency Court of Appeals, to which the President referred in his foregoing statement, was given exclusive jurisdiction by the Act to review the validity of regulations or orders issued by the Administrator. The members of this Court were designated by the Chief Justice of the United States Supreme Court from among Judges of the District Courts and Circuit Courts of Appeals. This Emergency Court

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constituted the exclusive judicial review authority of the validity of O.P.A. regulations, with the possibility of review only by the United States Supreme Court. The methods of enforcing the O.P.A. regulations are summarized by the President in the above statement.

On February 11, 1942, Leon Henderson became Price Administrator under the Emergency Price Control Act. Mr. Henderson had headed the Government's price control efforts since the establishment of the Advisory Commission to the Council of National Defense on May 28, 1940. The O.P.A. now had about 50 percent of the wholesale price structure of the Nation under formal price schedules or other informal controls. These controls had been applied only on a piecemeal basis and at points where the threat of inflation had been most acute. By the spring of 1942, it became necessary to take more general action in order to protect the economy against runaway prices.

During the month of April, 1942, the O.P.A. held a number of consultations with large and small producers, manufacturers, wholesalers, and retailers. These discussions centered around the issuance of an over-all ceiling order on prices. On April 27, the President, in a message to the Congress and a fireside chat, outlined a seven-point anti-inflation program which, among other things, proposed a general ceiling on prices and rents (see Items 47 and 48 and notes, this volume). The following

day the Price Administrator issued the General Maximum Price Regulation which set the highest price charged during the month of March, 1942, as a ceiling over nearly everything that Americans eat, wear, and use. At the same time, the O.P.A. designated over 300 rental areas subject to control under the Emergency Price Control Act. In about 20 percent of these areas, where exorbitant rent increases had occurred, rents were cut back to levels existing at various periods during 1941; in the other cases, rents were held to the levels of March 1, 1942. Simultaneously, eighteen price regulations were issued covering specific commodities. As the months went on, the General Maximum Price Regulation was gradually replaced by specific price ceilings for most commodities.

The O.P.A. proceeded on a partially decentralized basis, holding the front against inflation with general Nation-wide policies which were administered in accordance with local and industry characteristics. Relief was worked out for those retailers, wholesalers, manufacturers, or producers suffering from particular hardship imposed by the general price regulations.

The rationing program began in the last days of 1941 after the attack on Pearl Harbor had cut off the source of 98 percent of our crude rubber supplies shipped from the Far East. This required the rationing of rubber tires. Automobiles, sugar, typewriters, and gasoline

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were also placed on ration early in 1942. The rationing of other commodities followed, the most important of which were some articles of food. Fuel oil, shoes, bicycles, rubber footwear, and coffee were among the other commodities rationed. In administering the program of rationing scarce commodities, some 8,000 local rationing boards were established throughout the country.

The effect of the passage of the Emergency Price Control Act was to check the rate of increase in prices and rents. During the year following the passage of the Act, wholesale prices, with the exception of farm and food, increased only 1 percent. The major defect in the Emergency Price Control Act proved to be the severe limitations placed on the O.P.A. in controlling farm prices. They rose 15 percent during 1942; and food prices rose 11 percent during 1942.

The President underscored these shortcomings in the Emergency Price Control Act in his seven-point anti-inflation program (see Items 47

and 48 and notes, this volume) and in the establishment of the Office of Economic Stabilization (see Item 97 and note, this volume). The blocking of the numerous gaps in the dike against inflation was not fully completed until the issuance of the President's "hold-the-line" Executive Order in April, 1943 (see Item 35 and note, 1943 volume). It is significant that between May, 1943, and V-J Day in August, 1945, the average of prices was held almost stable.

The effectiveness of the Office of Price Administration in stabilizing the cost of living was dramatically, if unhappily, demonstrated when the Congress abandoned meaningful over-all price controls on June 30, 1946. In the first month alone after O.P.A. controls were relaxed, living costs increased as much as they had increased in the preceding three years. And in the ten months following June, 1946, wholesale prices soared 31 percent, or four times the amount during the entire period of effective price control.

### **13 ¶ The Eight Hundred and Second Press Conference (Excerpts). January 30, 1942**

*(Foreign relief — Food for France — The Price Control Act — Parasites in Washington.)*

THE PRESIDENT: I am sorry to be late, but I have had things thrown at me at the last minute.

Somebody raised the question about continuing to give

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foreign relief. My feeling is that there are working on our side a good many Nations who need things for their civilian population, let us say, need warm clothing — haven't had wool for a long time — and that our present efforts to get things to them should be continued without any question. Of course that is merging almost automatically with what might be called luxuries for our own Army and Navy boys, things that they don't get in the regular handout from the Army and Navy in the way of warm clothing — sweaters and things like that. But we certainly ought not to cut off our help that we have given to other Nations at this time. In other words, it's all part of the common war effort, and we ought not to discriminate. I suppose there is just one word that describes the situation, and that is the word "give."

We have all got to "give." We have got to keep up our own domestic things like, for instance, the infantile paralysis drive, and a great many other drives — hospital drives, charity drives of all kinds. And, instead of cutting off anything, we have just got to "give" a little bit more. That includes these different organizations that are pretty well tied in together at the present time in cooperation with the Red Cross, and working through the Joe Davies' committee [The President's Committee on War Relief Agencies — see Item 16 and note, 1941 volume]. . . .

*Q.* Does that apply particularly to the relief of occupied countries?

*THE PRESIDENT:* You can't say Yes or No on that. We can't get anything into most of the occupied countries.

*Q.* Mr. President, would that apply to Vichy — to unoccupied France?

*THE PRESIDENT:* Where we can get things in, and where we are sure of distribution. That is another thing that I will have to give you, as without attribution or anything else. I do know we have sent quite a lot of food to the children of France, on the assumption that it would be delivered through

### *13. Eight Hundred and Second Press Conference*

non-governmental sources like the Quakers, and the Red Cross.

And the experience has not been a hundred percent satisfactory. Some of the food that we have sent over there, most unfortunately has been put on a train in Marseilles. And the train started, ostensibly bound for an unoccupied part of France where they needed food for the children, and the train kept right on going into Germany.

So the thing has got to be awfully carefully checked. Now we certainly at this time cannot afford to send food to an enemy country. . . .

Q. Mr. President, did you have something more that you wanted to say to us?

THE PRESIDENT: I have got quite a lot of things.

I have just signed the Price Control bill. And Mr. Henderson says, in recommending that I sign it, that it makes an honest woman out of him. And when I signed it, I said to him it makes an honest woman out of me too. In other words, it's Congressional authorization for carrying out certain things which are inherent in a war situation. . . .

The framework of the bill is good, because it provides for responsibility in a single Administrator, and a workable set of administrative procedures. The enforcement provisions of the bill are good. The Administrator may license persons who are subject to the Act, and may if necessary secure compliance with the Act through criminal proceedings and injunctions. In addition to that, consumers themselves may bring suits for treble damages against sellers who violate the maximum price regulations. In other words the bill has got teeth in it.

Third, on the whole the rent provisions of the bill are good. If State or local authorities fail or refuse to stabilize rents, the Administrator may move in and establish a system of rent control similar to the system provided for the District of Columbia. That ought to be a definite help in stabilizing what might be called the cost of living.

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Fourth, there is a useful and important power given to the Administrator, who may buy and sell commodities in order to obtain the maximum necessary production.

Fifth, the maximum price provisions of the bill, in relation to non-agricultural commodities, are good. In general, we do not make exceptions. In general, the price of commodities will be based on the levels that prevailed in the first half of October, 1941, adjusted for various factors of general applicability and effect.

In regard to the agricultural commodities, there are certain limitations which are not so good. There are a number of rather technical matters in the agricultural provisions, but the real danger lies in the provision that no price shall be established below 110 percent of parity. The objective, of course, of the Administration on that was after very, very many years to bring the price of agricultural commodities up to parity. We have been working at it for over eight years. We have not attained the goal, except in a minority of agricultural products such as meat. And we had hoped that the legislation would be in such form that we should seek an average of parity.

This provision of not less than 110 percent of parity is a very definite violation of an objective which had been sought for eight years by the agricultural population of this country as the goal they set. And, therefore, in regard to the cost of living, the 110 percent of parity provision is a threat to the cost of living, especially in view of the fact that parity, as you know, is not a fixed amount. It's a relationship of agricultural cost of living to the industrial and other cost of living. And, therefore, as the cost of living goes up, the extra 10 percent goes up; all of this makes for a tendency toward a rise in the cost of living, foodstuffs being a very important item in the average family.

And finally, the bill is certainly worth having. Perhaps it is the best we could get at this time. We will undoubtedly have to step on the toes of a lot of people, which is again an-

### *13. Eight Hundred and Second Press Conference*

other inherent factor in wartime. We hope by vigorous administration to fill in the gaps in the legislation, and if necessary ask Congress for amendments which will become more clear with the actual operation of the bill. . . .

- Q. Mr. President, you spoke about inherent powers. Could those carry price control beyond the provisions of the bill in any respect?

THE PRESIDENT: I haven't thought of any. I haven't got any in mind. Well, for example, somebody gave me a memorandum here that somebody was going to ask me a question about moving non-defense people out of Washington. And it is a question of inherent powers. I suppose if we were to make it very uncomfortable for the — what shall I call them? — parasites in Washington, the parasites would leave. There are a good many parasites in Washington today. We all know that. (*Laughter*) I don't know whether that is an exercise of an inherent power or not, but I am inclined to think they would get out. (*More laughter*)

- Q. Mr. President, that statement is, I think, based on testimony that Mr. Palmer [Charles F. Palmer, Coordinator of Defense Housing] made before the Public Buildings Committee. He said that eighty to a hundred thousand people had come here, and 85,000 more were expected this year, and that you were evacuating about 12,000 Government clerks, and that there was a saturation point. This extra 73,000 people would themselves bring an impasse somewhere. And this town is considerably upset about it.

THE PRESIDENT: Well, I know what I would do. I would write a story with a headline in the Washington papers. The headline — very simple — go right in a box — right across the front page: "Are You a Parasite?" (*Laughter*) Now a lot of people in this town are going to say, "I wonder if I am a parasite or not?" (*More laughter*) . . .

*NOTE:* See Item 12 and note, this volume, for the President's statement on signing the Emergency Price Control Act of 1942, and fur-

ther discussion of the establishment and activities of the Office of Price Administration.

## 14 ¶ Radio Address on the President's Sixtieth Birthday. January 30, 1942

To ALL of you who are making tonight's celebrations such a success, I want to say — very simply — thank you.

In the midst of world tragedy — in the midst of sorrow, suffering, destruction, and death — it is natural for most of us to say even on a birthday or a feast day: "Isn't the word 'happy' a bit out of place just now?"

That was perhaps my own predominant thought this morning. Yet the day itself and the evening have brought with them a great reassurance that comes from the deep knowledge that most of this world is still ruled by the spirit of Faith, and Hope, and Charity.

Even in time of war those Nations which still hold to the old ideals of Christianity and democracy are carrying on services to humanity which have little or no relationship to torpedoes or guns or bombs. That means very definitely that we have an abiding faith in the future — a definite expectancy that we are going to win through to a peace that will bring with it continuing progress and substantial success in our efforts for the security and not for the destruction of humanity.

Our enemies must at this moment be wondering — if they are permitted to know what goes on — how we are finding the time during the grim business of war to work for the cause of little children. For, under the enemies' kind of government, there is no time for or interest in such things — no time for ideals; no time for decency; no interest in the weak and the afflicted to whom we in this country have dedicated this day.

It would not be strictly true to say that our enemies pay no attention to health or the relief of need. But the difference is this: with them it all comes from the top. It is done only on order from the Ruler. It is carried out by uniformed servants of the Ruler. It is based, in great part, on direction, compulsion, and fear. And the Rulers are concerned not with human beings

#### *14. The President's Sixtieth Birthday*

as human beings but as mere slaves of the state — or as cannon fodder.

The United Nations of the world, of whom we are part, continue to put these things on a very different basis. We support our tasks of humanity in time of war, as in time of peace, through the same old system of telling the public of the great need and asking for the voluntary help of men, women, and children to fill it.

The fight against the disease of infantile paralysis has proven beyond doubt that the way democracy works — the voluntary way — is efficient and is successful. It is only ten years ago that this country undertook, through wholly private contributions, to organize every locality to carry on this great effort, not for a year or two, but for all the future years — so long as the fight can help humanity.

Today, as in these many years past, we continue this great crusade — made possible not by a few large gifts but by the dimes and the dollars of the people themselves.

This year there is only one difference proposed for the use of these gifts, a difference of which I think you will all approve. The Trustees of the National Foundation for Infantile Paralysis have told me that I can make the special announcement that the authorized county chapters throughout the Union may use such portion of their share of this year's funds as is necessary to give special assistance to the children of any of our soldiers and sailors and marines — their children who may fall victim to infantile paralysis. That, I hope, will be good news and a well-deserved boon to the fathers who are serving their flag on land and on sea in many parts of the world, and good news to the mothers who have been left at home to do their brave part — to carry on.

And I am made additionally happy by the fact that in many of our sister Republics of the Americas, in many parts of the great continent of which we are a part, parties and celebrations are being held today to provide needed help to the children in those lands.

For all these reasons I am very sure that this day has not been

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wasted — that it has been a useful day. For all that you have done, I am very grateful.

For we have all been helpful in lifting some of the clouds of unhappiness and anxiety which have settled down on many of our people. In that realization I am sure we shall have added strength to face the days of trial that lie ahead until peace with victory is assured.

The lives of all of us are now dedicated to working and fighting and, if need be, dying for the cause of a better future — that future that will belong to the little children of our beloved land.

**NOTE:** The foregoing address was one of the annual talks which the President made on his birthday, in support of the National Foundation for Infantile Paralysis. During his presidential terms, he only missed two of such occasions — when

he was at Casablanca in 1943 and at Yalta in 1945. Mrs. Franklin D. Roosevelt delivered the President's 1945 birthday address for him, while he was attending the Yalta Conference (see Item 132, 1944-1945 volume).

## 15 ¶ The Eight Hundred and Third Press Conference (Excerpts). February 6, 1942

(*Need for Congressmen to support war effort regardless of party — Pacific councils — Loan to China.*)

Q. Have you anything to say about Chairman Ed Flynn's recent speech that has attracted a good deal of attention?

THE PRESIDENT: I have no idea what Flynn said.

Q. He spoke something like this: that the election of a Congress hostile to the Administration would be equal to a major military disaster, or words to that effect.

THE PRESIDENT: Well, I will tell you, I suppose the easiest way of putting it is this: that when a country is at war we want Congressmen, regardless of party — get that — to back up the Government of the United States, and who have a record of backing up the Government of the United States in an emergency, regardless of party.

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Q. That's it.

THE PRESIDENT: Put that down again, twice. I think that covers it all right. . . .

Q. Mr. President, did you confer again this week with Dr. Van Kleffens, the Dutch Foreign Minister?

THE PRESIDENT: No. I am seeing him today. . . .

Q. It seems to be the impression, sir, which Dr. Van Kleffens has in turn added to, that the Pacific councils to which Mr. Churchill referred are now beginning to shape up. Could you throw any light on that?

THE PRESIDENT: Yes, I think they are.

Q. Are those councils to be military, or are they to be political and military, sir?

THE PRESIDENT: I would put it this way, that down in the Abda area, as you know, there is the military command under the supreme command of Wavell. Now that is a slipshod way of putting it, but the operations could be called "tactical." I refer to the certain long-range strategic questions which would be referred here, and London. Well, London of course includes the British Empire people — Australia and New Zealand — and it also includes the Dutch Government in London. Now those strategic questions would be referred — it isn't a very good differentiation to make — as tactical and strategic. It isn't a clear line always, but it is the best terminology that I can think of at this time.

Now on the strategical things that would be referred here, or London — long-range again — you would have to divide them into two parts. One would be the military and naval, purely, and they would go to the joint staffs, on which there would be consultations, of course, with Australian, New Zealand, and Dutch officers. Another group of questions that would be referred would be more of a political or government character and they would be referred to the American Government, the British Government, the Dutch Government, and the Colonials' Governments represented in London. Now, of course, there again you run up against the dis-

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tinct possibility that you will have something that is partly political and partly strategic. I am thinking in very broad terms, nothing specific at all. Where they have both characteristics they probably would be referred both to the governmental agencies — the political agencies — and then the military and naval.

*Q.* Would these so-called councils, sir, sit in Washington, or would they sit both in Washington and London?

**THE PRESIDENT:** Oh, they are — they are sitting both in Washington and London.

*Q.* They are sitting?

**THE PRESIDENT:** They are.

*Q.* They are in being now?

**THE PRESIDENT:** Oh, they have been for a month.

*Q.* For a month?

**THE PRESIDENT:** Yes.

*Q.* Thank you, sir.

**THE PRESIDENT:** And I think there is no reason why we shouldn't point out that on the decision end of these things there is very close cooperation between Washington and London.

I suppose the easiest way of putting it is this: that when a question is raised down in that area that has to be referred, there are two copies made. One copy is marked for action, and that comes to Washington. The other copy goes to London, and that is marked for recommendation to Washington. And, in the event of disagreement, it comes to the higher authorities in both places. There haven't been any disagreements to date, and probably won't be. But the "action" copy comes to Washington. . . .

*Q.* Mr. President, do you expect any early results from the 500-million-dollar loan to China?

**THE PRESIDENT:** I think so. Quite aside from what might be called the psychological point of view, assuring China through the loan that we are solidly behind them and are helping in every way that is physically possible in the military sense, as fast as we can — this will be a very definite relief to

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the whole financial problem of China itself, through stabilization of their currency, and the ability to get more things that they very greatly need for their armies. . . .

### 16 ¶ The War Shipping Administration Is Established. Executive Order No. 9054.

February 7, 1942

BY VIRTUE of the authority vested in me by the Constitution and statutes of the United States, including the First War Powers Act, 1941, approved December 18, 1941, as President of the United States and Commander in Chief of the Army and Navy, and in order to assure the most effective utilization of the shipping of the United States for the successful prosecution of the war, it is hereby ordered:

1. There is established within the Office for Emergency Management of the Executive Office of the President a War Shipping Administration under the direction of an Administrator who shall be appointed by and responsible to the President.

2. The Administrator shall perform the following functions and duties:

(a) Control the operation, purchase, charter, requisition, and use of all ocean vessels under the flag or control of the United States, except (1) combatant vessels of the Army, Navy, and Coast Guard; fleet auxiliaries of the Navy; and transports owned by the Army and Navy; and (2) vessels engaged in coastwise, intercoastal, and inland transportation under the control of the Director of the Office of Defense Transportation.

(b) Allocate vessels under the flag or control of the United States for use by the Army, Navy, other Federal departments and agencies, and the Governments of the United Nations.

(c) Provide marine insurance and reinsurance against loss or damage by the risks of war as authorized by Title II of the Merchant Marine Act, 1936, as amended.

## *16. War Shipping Administration*

- (d) Establish the conditions to be complied with as a condition to receiving priorities and other advantages as provided in Public Law 173, 77th Congress, approved July 14, 1941.
- (e) Represent the United States Government in dealing with the British Ministry of War Transport and with similar shipping agencies of Nations allied with the United States in the prosecution of the war, in matters related to the use of shipping.
- (f) Maintain current data on the availability of shipping in being and under construction and furnish such data on request to the Departments of War and the Navy, and other Federal departments and agencies concerned with the import or export of war materials and commodities.
- (g) Keep the President informed with regard to the progress made in carrying out this Order and perform such related duties as the President shall from time to time assign or delegate to him.

3. The functions, duties, and powers conferred by law upon the United States Maritime Commission with respect to the operation, purchase, charter, insurance, repair, maintenance, and requisition of vessels, and the issuance of warrants with respect thereto, under the Merchant Marine Act of 1936 as amended, 49 Stat. 1985, Public Law No. 101, 77th Congress, approved June 6, 1941, and Executive Order No. 8771 issued pursuant thereto, Public Law No. 173, 77th Congress, approved July 14, 1941, are hereby transferred to the Administrator; and such part of existing personnel of the United States Maritime Commission together with such records and public property as the Administrator may deem necessary to the full exercise of his functions and duties prescribed by this Order are hereby assigned to the War Shipping Administration.

4. Vessels under the control of the War Shipping Administration shall constitute a pool to be allocated by the Administrator for use by the Army, Navy, other Federal departments and agencies, and the Governments of the United Nations. In allo-

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cating the use of such vessels, the Administrator shall comply with strategic military requirements.

5. For the purpose of carrying out the provisions of this Order, the Administrator is authorized to utilize the services of available and appropriate personnel of the United States Maritime Commission, the War and Navy Departments, the Bureau of Marine Inspection and Navigation of the Department of Commerce, and other Government departments and agencies which are engaged in activities related to the operation of shipping.

6. In the discharge of his responsibilities the Administrator shall collaborate with existing military, naval, and civil departments and agencies of the Government which perform wartime functions connected with transportation overseas, in order to secure the most effective utilization of shipping in the prosecution of the war. The Administrator particularly shall maintain close liaison with the Departments of War and the Navy through the Assistant Chief of Staff for Transportation and Supply and the Director, Naval Transportation Service, respectively, with respect to the movement of military and naval personnel and supplies; and with the Director of the Office of Defense Transportation with respect to the relation of overseas transportation to coastwise and intercoastal shipping and inland transportation. With respect to the overseas transportation of cargoes essential to the war production effort and the civilian economy the Administrator shall be guided by schedules transmitted to him by the Chairman of the War Production Board prescribing the priority of movement of such commodities and materials.

7. The Administrator may establish committees or groups of advisers representing two or more departments of the Federal Government, or agencies or missions of Governments allied with the United States in the prosecution of the war, as the case may require to carry out the purposes of this Order. Further, he may appoint representatives to such joint missions or boards dealing with matters within the scope of this Order as may be established with Governments associated with the United States in the prosecution of the war.

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8. Within the purposes of this Order, the Administrator is authorized to issue such directives concerning shipping operations as he may deem necessary or appropriate, and his decisions shall be final with respect to the functions and authorities so vested in him. The Administrator may exercise the powers, authority, and discretion conferred upon him by this Order through such officials or agencies and in such manner as he may determine.

9. The Administrator is further authorized within the limits of such funds as may be allocated, transferred, or appropriated to the War Shipping Administration to employ necessary personnel and make provisions for necessary supplies, facilities, and services. So much of the unexpended balances of appropriations, allocations, or other funds available (including funds and contract authority available for the fiscal year ending June 30, 1942) for the use of the United States Maritime Commission in the exercise of the functions transferred to the Administrator and the War Shipping Administration, as the Director of the Bureau of the Budget with the approval of the President shall determine, shall be transferred to the War Shipping Administration for use in carrying out the functions and authority transferred to the Administrator and the War Shipping Administration pursuant to the provisions of this Order. In determining the amounts to be transferred from the United States Maritime Commission, the Director of the Bureau of the Budget may include amounts necessary to provide for the liquidation of obligations previously incurred by the United States Maritime Commission against such appropriations, allocations, or other funds prior to the transfer; *Provided*, that the use of the unexpended appropriations, allocations, or other funds transferred by this Section shall be subject to the provisions of Section 3 of the First War Powers Act, 1941.

*NOTE:* Long before Pearl Harbor, the President had initiated measures to expand our merchant fleet. At the end of 1940, he approved

the construction, under the United States Maritime Commission, of a series of "Liberty ships"—emergency steel cargo vessels with a

## *16. War Shipping Administration*

cargo capacity of approximately 10,000 dead-weight tons each (see Item 150, pp. 645-647, 1940 volume). Shortages of machine tools, steel, propulsion machinery, and valves delayed the shipbuilding program from the start.

Shipbuilding facilities were fortunately expanded during the months before Pearl Harbor.

Immediately after Pearl Harbor, the needs for shipping became extremely acute. More merchant ships were needed to carry out lend-lease to Britain, to fulfill the terms of the First Moscow Protocol, to move troops and supplies to all theaters of war, and to ship petroleum. In order to meet the world-wide needs for shipping, it became necessary to coordinate the existing private shipping facilities and to centralize Federal control over merchant shipping.

The foregoing Executive Order establishing the War Shipping Administration authorized the Administrator of the War Shipping Administration to allocate and control the operation and use of all United States vessels except certain vessels of the Army and Navy or under the O.D.T. The Order left with the United States Maritime Commission its responsibilities for carrying on the great wartime ship construction program. The W.S.A., as it became popularly known, was empowered to purchase or requisition vessels for its own use or for the use of the Army, Navy, or other Government agencies; to provide ships

and ship personnel, and to control the operation and general movement of these ships; to control terminal and port facilities, and to administer marine and war risk insurance laws and funds.

On the entry of the United States into the war, the American merchant fleet totaled about 900 dry-cargo vessels of 6,700,000 dead-weight tons and some 440 tankers of 5,150,000 dead-weight tons. This total included those foreign vessels which had been acquired by negotiation, requisition, and seizure in American ports (see Item 24 and note, 1941 volume). By V-J Day, the merchant fleet controlled by the U.S.A. had, in spite of enormous losses sustained during the war, reached 4,221 ships with a dead-weight tonnage of 44,940,000. By far most of the increased merchant fleet was obtained through the extraordinary wartime construction program, under which production miracles were achieved — most spectacularly by Henry J. Kaiser; the remaining tonnage was acquired by charter agreements with owners of vessels.

For a long period early in the war there was a neck-and-neck race between ship construction and ship destruction by enemy submarines. The race for adequate shipping was finally won not only by the increased rate of construction but also by the successes of the Allied convoy system and of the Army Air Forces and the Navy in combating the enemy submarines. In 1942,

## *16. War Shipping Administration*

losses to the merchant fleet equaled 39 percent of new ship construction in that year, this ratio was reduced to 11 percent in 1943, to less than 8 percent in 1944, and to only 4 percent in 1945.

After the creation of the W.S.A. the United States Maritime Commission (which had been in operation since the passage of the Merchant Marine Act of 1936) concentrated on ship construction; the W.S.A. handled the operational problems of the wartime merchant fleet. There was efficient cooperation between the two agencies. One reason was that the Chairman of the United States Maritime Commission, Vice Admiral Emory S. Land, was also the War Shipping Administrator.

Although the United States had more ships at the start of World War II than in World War I, the difficulties of shipping operations were far greater in the second war. Virtually all European and Mediterranean ports were closed to Allied shipping; voyages had to cover a much longer span; and merchant ships had to fight their way through to the small number of ports in the Pacific remaining out of Japanese hands.

The W.S.A. devised new means to carry more cargo per ship by using deck space and finding new devices for cramming more cargo beneath the deck. Aircraft, tanks, and landing vessels were loaded on the decks of tankers. In some cases entire railroad trains were ferried

across the ocean by the merchant marine; bulk ore carriers were fitted out to carry grain; and ten entire mobile generating sets for supplying light and power to destroyed cities were shipped to Russia in the winter of 1944.

The W.S.A. had to meet at the same time the demands of the Army, the Navy, lend-lease, civilian exports required by Allied Nations, and shipments to Latin American and other countries on the request of the State Department and the Foreign Economic Administration. Toward the close of the war, there were added the needs of the United Nations Relief and Rehabilitation Administration and the Foreign Economic Administration for space to ship civilian relief supplies to occupied and liberated areas. In addition, throughout the war there was the demand for American merchant shipping to import strategic materials for war industries. The balancing of these various programs, each of which had some military, strategic, economic or political objective, within the limits of insufficient shipping to meet all the needs at the same time, provided a challenge to the W.S.A., which it successfully met.

The merchant marine participated in every large-scale American invasion in Europe and the Pacific, and followed up each invasion by delivering enough supplies to reinforce the beachheads and help American troops go forward. The merchant fleet helped build up in

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the British Isles a tremendous arsenal of supplies during 1943 and early 1944 in preparation for the invasion of Europe. Huge convoys, some with as many as 167 ships, had delivered the troops and supplies in shuttle service across the Atlantic.

The invasion of Normandy on June 6, 1944, was the greatest seaborne invasion in history. At its head were 32 American merchant ships, many of which had previously suffered severe battle damage. These 32 ships were charged with explosives and were sunk off the beachhead in order to form a breakwater for subsequent landing of supplies. Following this, 10 ocean-going tugboats, operated by the

W.S.A., towed the famous artificial ports into position, thereby making possible the quick landing of tanks, guns, supplies, and heavy equipment necessary to hold and expand the beachhead.

After the war, W.S.A. vessels were used to carry home the huge number of armed personnel overseas. Over 3,500,000 men were brought home from overseas areas by December 1, 1945.

(See Item 11 and note, this volume, for an account of the functions of the Combined Shipping Adjustment Board, which attempted to coordinate the merchant fleets of Great Britain and the United States.)

## **17 ¶A Message to Generalissimo Chiang Kai-shek on Aid to China. February 7, 1942**

IT is a source of great gratification to me and to the Government and people of the United States that the proposal which I made to the Congress that there be authorized for the purpose of rendering financial aid to China in the sum of \$500,000,000 was passed unanimously by both the Senate and the House of Representatives and has now become law.

The unusual speed and unanimity with which this measure was acted upon by the Congress and the enthusiastic support which it received throughout the United States testify to the wholehearted respect and admiration which the Government and people of this country have for China. They testify also to our earnest desire and determination to be concretely helpful to our partners in the great battle for freedom. The gallant resistance of the Chinese armies against the ruthless invaders of your

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country has called forth the highest praise from the American and all other freedom-loving peoples. The tenacity of the Chinese people, both armed and unarmed, in the face of tremendous odds in carrying on for almost five years a resolute defense against an enemy far superior in equipment is an inspiration to the fighting men and all the peoples of the other United Nations. The great sacrifices of the Chinese people in destroying the fruits of their toil so that they could not be used by the predatory armies of Japan exemplify in high degree the spirit of sacrifice which is necessary on the part of all to gain the victory toward which we are confidently striving. It is my hope and belief that use which will be made of the funds now authorized by the Congress of the United States will contribute substantially toward facilitating the efforts of the Chinese Government and people to meet the economic and financial burdens which have been thrust upon them by an armed invasion and toward solution of problems of production and procurement which are essential for the success of their armed resistance to what are now our common enemies.

I send you my personal greetings and best wishes. I extend to you across land and sea the hand of comradeship for the common good, the common goal, the common victory that shall be ours.

**NOTE:** On February 2, 1942, the President sent identical letters to the Vice President and Speaker of the House of Representatives outlining the urgency of China's financial needs. The President stated in these letters:

"Responsible officials both of this Government and of the Government of China have brought to my attention the existence of urgent need for the immediate extension to China of economic and financial assistance, going beyond in amount and different in form from such aid as Congress has already authorized.

"I believe that such additional assistance would serve to strengthen China's position as regards both her internal economy and her capacity in general to function with great military effectiveness in our common effort.

"I urge, therefore, the passage by Congress of appropriate legislation to this effect and attach hereto a suggested draft of a joint resolution which will accomplish this purpose."

The Congress acted speedily on the above request after hearing testimony from five cabinet members in secret committee sessions. House Joint Resolution 276, au-

### *18. Veto of Bill Restricting Foreign Agents*

thorizing the \$500,000,000 in aid to China, was approved by the President on February 7 (56 Stat. 82), and a few days later the Congress appropriated the full amount contained in the authorization.

## 18 ¶ The President Vetoes a Bill Proposing to Restrict Representatives of Friendly Countries in the United States. February 9, 1942

*To the House of Representatives:*

I RETURN herewith, without my approval, H. R. 6269, "To amend the Act entitled 'An Act to require the registration of certain persons employed by agencies to disseminate propaganda in the United States, and for other purposes,' approved June 8, 1938, as amended."

This bill was drafted in peacetime to protect a Nation at peace. It was properly designed to force the disclosure of the activities of foreign agents who may abuse the hospitality of our country or weaken our national unity by fostering discord and distrust.

The bill, however, obviously was not drafted with a view to the situation created by the Axis assault upon our country and our entry into the war in fighting partnership with twenty-five United Nations and in active cooperation with other Nations whose defense we deem vital to our own defense.

To achieve victory we must be certain that there is a minimum of interference with the strengthening and perfecting of joint action. Active collaboration of a military or economic nature with friendly countries requires the fullest and most constant exchange of representatives between us.

Just as we are anxious to see nothing interfere with the functioning of our representatives in friendly countries, so we must do everything we can to facilitate their functioning with us in the common cause. It is far from clear that the requirements of this legislation would not in many instances be unnecessary, inappropriate, and onerous in respect to the representatives of

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friendly Nations who are constantly coming to and from the United States to cooperate with us.

I recommend that this bill be adjusted to meet these changed conditions resulting from our entry into the war. Such adjustment might be achieved by granting broad discretionary powers to the Attorney General during the emergency, to enable him to administer the bill so as to meet these new conditions.

**NOTE:** The bill which the President vetoed with the foregoing message was an amendment to the Alien Registration Act. The amendment had been drafted to meet a peacetime situation. With the country at war, it became essential that close teamwork be developed among the Allied Nations, and that no embarrassments or unnecessary burdens be placed on representatives of friendly foreign Nations on official missions in the United States. Accordingly, the President recommended that the bill be amended to cover the war situation.

A new bill was prepared to meet the President's recommendations, in order to deal with official representatives of friendly foreign Nations on a different basis from all

other types of foreign agents. Instead of requiring the detailed public registration and labeling, an alternative and less onerous type of registration and labeling was provided. The new bill provided special treatment for members of military or economic missions and other official representatives from friendly countries. The new provisions were drafted in consultation with the Department of State, the Office of Lend-Lease Administration, and the Coordinator of Information.

The new bill, which met the objections of the President and carried out his recommendations, passed the Congress and was approved by the President on April 29, 1942 (56 Stat. 248).

## **19 ¶ The Eight Hundred and Fourth Press Conference (Excerpts). February 10, 1942**

*(Deferment policy for Government employees — Farm Security Administration — Pacific strategy.)*

**THE PRESIDENT:** I have sent out a letter to all heads of departments and agencies saying, "It is essential that an equitable and uniform practice be followed in applying provisions of

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the Selective Service and Training Act to officers and employees in the Federal service. The policy with respect to deferment from military training and service on occupational grounds, recommended in the attached memorandum of February 5, has my approval, and all concerned will be governed accordingly."

I have approved and put into effect the following: Request for deferment from service of any officer or employee of the Government shall be made only by the head of the appropriate department. Such request must be made on forms prescribed by the Selective Service System.

No such request shall be made except when the head of the department shall certify, first, that the officer or employee is in a position the duties of which are clearly related to the war effort or its essential supporting activities; second, that the officer or employee is in a type of position listed by the Selective Service as one in which it is difficult to obtain replacements, or a type of position in which he cannot be readily replaced except by the training of a successor through work experience for a period of at least six months.

Number three, the initial request for deferment will be for a period of not to exceed six months. If the duties of the position are of a type requiring work experience of at least two years, the appropriate agency will take immediate steps to train a successor.

Fourth, request for deferment beyond the initial six months' period will not be made except when the head of the department certifies that one of the following conditions exists: First, that to attain reasonable competence in the duties of the position, work experience of two years or more is necessary. Second, that replacement has been secured for the individual, but that a further period of training is required before the trainee is qualified to go in. And third, that the Selective Service System has found that a shortage of persons with qualifications required in the particular position exists, and that it has been impossible to get a replacement. Heads

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of all departments are to make an inventory of all officers and employees who in all probability will be placed in Class 1A, and where necessary recruit and begin the training of persons who are to take their places.

I think that covers that pretty well. . . .

- Q. Mr. President, the investigation of the Farm Security Administration is going on before a committee on non-essential expenditures. Would you care to say whether you consider their work non-essential?

THE PRESIDENT: I would say it is extremely essential to keep that going. Our whole food situation for the duration of the war is intimately connected with it. Furthermore, the whole problem of security for a large number of individual families is at stake. Of course it is essential. . . .

- Q. Mr. President, a great deal has been said and written these days on the matter of "complacency" in this country, in the face of bad news in the Pacific. Would you care to comment on that?

THE PRESIDENT: Yes, and a part of it is true. Not all of it, because I think we are beginning more and more, every day, to be more realistic in regard to the existing situation. And there is a better understanding in every part of the country that whether we like it or not this is a world-encircling war, and that the first objective, obviously — I am talking what might be called major strategy now — is to prevent a break-through, and cause as much attrition of the resources of the enemy as all of us can during the period in which we are able to build up the overwhelming superiority which is necessary and which will be forthcoming while we are engaged in preventing break-throughs and damaging or destroying as much of the personnel and matériel of the enemy as we possibly can. . . .

20 ¶ The Eight Hundred and Fifth Press Conference (Excerpts). February 13, 1942

(*Housing at Willow Run — Poll taxes — Curtailment of Federal expenditures — N.Y.A. — C.C.C.*)

THE PRESIDENT: I have, for quite a long while, been interested in one particular housing program that is very much needed outside the city of Detroit. Out there they have got this new Willow Run bomber plant in Ypsilanti. When it is going full speed, it will probably use 75 to 100 thousand people in it. And there is not enough housing in that area. This is perhaps illustrative of some of the things that are, on a smaller scale, the same kind of problem. And they have been talking two months about meeting some of them. The trouble is that this area includes probably half a dozen communities and three separate counties, and the State of Michigan, and various agencies of the Federal Government. And when you get a situation like that, there is only one thing to do and that is to tie it together under somebody.

I have asked Frederic Delano to assume the job of bringing all these different agencies together — local and county, State and Federal, and get something started. So I have sent him a letter to that effect. We hope to get fairly quick action.

Q. Mr. President, did you see Secretary Wickard's statement that the F.S.A. has not been paying poll taxes?

THE PRESIDENT: I did. . . .

These tenant people, these people who come under Federal grants have a budget which includes everything, every necessity of life. It includes food, includes clothing, includes a bed to sleep in, and it includes taxes of all kinds. And in those budgets they allow people to put down one form of tax, which is a poll tax. . . .

This controversy reminds me of the time seven or eight years ago when there was a drive in this country to prevent anybody on W.P.A. from voting. Now that is an awfully good

## *20. Eight Hundred and Fifth Press Conference*

parallel. Why, there were cheers and yells from a certain type of mind in the country when it was proposed that persons, because they were poor, would have to be cut out from the right to vote.

**Q.** Mr. President, do you approve of the poll tax in principle? Do you think it's a sound tax; anyway?

**THE PRESIDENT:** I suppose the best thing to do is quote the war editor of the Montgomery, Alabama, *Journal* and let him talk to you.

(Reading): "No one questions the wisdom of the Alabama law which prohibits anyone from paying another's poll tax. It might be a good —"

And mind you that is a State tax.

"— it might be a good thing if it were enforced generally in the South, but the law does not forbid a farmer or anyone else to go to his bank and borrow money to pay his taxes — poll taxes or no poll taxes. Why then all the fuss about the F.S.A. which is the only bank available to many farmers?"

**Q.** Do you think the poll tax in itself, Mr. President, has kept the poor people in the past from voting in the past?

**THE PRESIDENT:** Yes, of course it has.

**Q.** Do you think that is a good idea?

**THE PRESIDENT:** No. I have been opposed to a poll tax all my life. . . .

**Q.** Mr. President, is there any estimate on the number of persons who might thus be diverted from civilian departments to war effort under the directive putting Government agencies on a 44-hour week?

**THE PRESIDENT:** (*interposing*) No. Of course, it will depend on what develops. Of course one development is that you can't generalize. And it always rises on these surveys, which of course go on all the time and which aim to cut down certain things not connected with defense, but you have to get Congressional action for it.

Well, let us for example take the case of the bright boys who say you can curtail all of the Federal expenditures. Well, all right. When some bright boy writes that and sobs over it

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that it hasn't been done, you ask him a question and say, "Where?" He says, "Oh, well —. That's a detail. That has nothing to do with me. I am a leader of public opinion on this thing. I am not supposed to know any details."

I had one of those chaps in the other day. You have read a lot of his stuff, and I said, "Where?" And he couldn't tell me where, that was not his business, where to curtail. So I said, "All right, let's take an example — meat inspection — meat inspection. It costs the Federal Government an awful lot every year for the inspection of meat, and to see that it is decent meat for people to eat." I said, "Do you want to curtail that? It is perfectly possible in wartime to curtail that. Absolutely simple. All you have to do is to get the Congress to eliminate or greatly curtail meat inspection. It's a cinch. Why not? It's wartime. Who cares whether we eat diseased meat in wartime? Save money! It will save a few million dollars."

Well now, it's a question. If the Nation wants to stop meat inspection it has an absolute right to do it through its elected officials. And I won't curtail, because the Congress has told the Executive that meat is to be inspected. And, therefore, having put that job on the Executive, the Executive sends to the Congress an estimate, and then the Congress goes over that estimate and tries to find out whether there are too many people for the inspection of meat. And sometimes they cut it down a bit, and I have known them to raise it. And we get inspected meat. Now they can cut that out any old time they want. I can't do it, because they have given me a directive to inspect meat. Well, that's a pretty good example.

You take dozens and dozens of bureaus here in Washington. Your glib boys say, "Oh, cut them all out. Cut them all down." Congress has an absolute right to cut them out, or cut them down. I have a directive. . . .

Q. Mr. President, I am not one of the glib boys. What about the three C's and the N.Y.A.?

THE PRESIDENT: Well, the N.Y.A., just to take an example, is turning out, I think, between eighty and ninety thousand

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boys who are being trained for defense work, every three months.

**Q.** Are they being trained for mechanical work?

**THE PRESIDENT:** For mechanical work, yes. Well, I think that answers your question. There are some boys still in the C.C.C., though a very greatly reduced number. They are very nearly all people who have not reached draft age yet, and some of them are not physically acceptable to the draft. Others, by going through the C.C.C., will be physically satisfactory for the Army or the Navy, when they reach twenty years old.

**Q.** What about rehabilitating the C.C.C. boys then — boys that are physically unfit?

**THE PRESIDENT:** Yes, yes. They have done a lot of that. A very large number of the C.C.C. boys have been rehabilitated, and been made useful for defense work, where they couldn't go to the front. . . .

**NOTE:** As the war progressed and congestion increased in war production areas, the President in April, 1943, set up the Committee for Congested Production Areas to deal with these regions on a Government-wide basis (see Item 34 and note, 1943 volume).

For the President's attitude on the poll tax, see also Item 86, 1944-1945 volume.

See Item 43, this volume, for fur-

ther press conference remarks on the wartime work of the National Youth Administration. For an account of the accomplishments of N.Y.A., see Item 40 and note, 1941 volume, and references cited therein. For an account of the accomplishments of the Civilian Conservation Corps, see Item 64 and note, pp. 234-240, 1939 volume, and references cited therein.

## **21. ¶ The President Addresses the People of Canada. February 14, 1942**

I AM SPEAKING to my neighbors of Canada this evening — in regard to something that is a Canadian matter — only because of a personal relationship, which goes back 58 long years, when my

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family began taking me every summer to spend several months on a delightful island off the coast of New Brunswick. I hope that my privilege of free and intimate discourse across our border will always continue. I trust that it will always be appreciated as sincerely as I appreciate it tonight.

It is not merely as good neighbors that we speak to each other in these eventful days, but as partners in a great enterprise which concerns us equally and in which we are equally pledged to the uttermost sacrifice and effort.

In an atmosphere of peace, four years ago, I offered you the assurance that the people of this country would not stand idly by if domination of Canadian soil were ever threatened by an aggressor. Your Prime Minister responded with an intimation that Canada, whose vast territories flank our entire northern border, would man that border against any attack upon us. These mutual pledges are now being implemented. Instead of defending merely our shores and our territories we now are joined with the other free peoples of the world against an armed conspiracy to wipe out free institutions wherever they exist.

Freedom — our freedom and yours — is under attack on many fronts. You and we together are engaged to resist the attack on any front where our strength can best be brought to bear.

The part that Canada is playing in this fight for the liberty of man is worthy of your traditions and ours. We, your neighbors, have been profoundly impressed by reports that have come to us setting forth the magnitude and nature of your effort as well as the valiant spirit which supports it. If that effort is to be measured in dollars, then you already have paid out, in two years, more than twice as much as you spent in the whole four years of the last war.

Moreover, these reports show that 1 Canadian in every 21 of your entire population is now in the fighting forces and that 1 in every 29 is a volunteer for service anywhere in the world. It should give us all new strength and new courage to learn that in the swift mobilization your Army has increased nearly ten-fold, your Navy fifteen-fold, your Air Force twenty-five-fold. We re-

## *21. Address to the People of Canada*

joice to know that the Air Training Plan which you commenced to organize two years ago is now the main source of reinforcements for Britain's Air Force and that its graduates are fighting on almost every front in the world. Other reports disclose in equally impressive terms an all-out effort which Canada is making in the common cause of liberty.

Yours are the achievements of a great Nation. They require no praise from me — but they get that praise from me nevertheless. I underestimate the case when I say that we, in this country, contemplating what you have done, and the spirit in which you have done it, are proud to be your neighbors.

From the outset you have had our friendship and understanding, and our collaboration on an increasing scale. We have gone forward together with increasing understanding and mutual sympathy and good will.

More recent events have brought us into even closer alignment; and at Washington a few weeks ago, with the assistance of Britain's Prime Minister and your own, we arrived at understandings which mean that the United Nations will fight and work and endure together until our common purpose is accomplished and the sun shines down once more upon a world where the weak will be safe and the strong will be just.

There is peril ahead for us all, and sorrow for many. But our cause is right, our goal is worthy, our strength is great and growing. Let us then march forward together, facing danger, bearing sacrifice, competing only in the effort to share even more fully in the great task laid upon us all. Let us, remembering the price that some have paid for our survival, make our own contribution worthy to lie beside theirs upon the altar of man's faith.

**NOTE:** See Item 140 and note, 1941 volume, for the text of the Hyde Park Agreement of 1941, an account of the establishment and functions of the Joint War Production Committee, and other ex-

amples of wartime economic co-operation between Canada and the United States.

See Item 112 and note, this volume, for the text of the President's Message to Congress on November

## **22. Eight Hundred and Sixth Press Conference**

2, 1942, requesting additional Congressional action to integrate war production with that of Canada. See Item 80 and note, p. 331, 1940 volume, for the establishment and functions of the Permanent Joint

Board on Defense (United States and Canada).

For an account of the work of the various Combined Boards, see Items 11 and 62 and notes, this volume.

### **22 ¶ The Eight Hundred and Sixth Press Conference (Excerpts). February 17, 1942**

*(Pearl Harbor losses — Rumors and disunity — Loan to Russia — Possibility of attack on the United States — General MacArthur in the Philippines — Alaskan highway.)*

**Q.** Mr. President, there are persistent reports that Secretary Knox's report on Pearl Harbor did not tell all. Can you comment on that, sir?

**THE PRESIDENT:** What do you want him to do, disclose all the military information they saw out there?

**Q.** No, sir. Reports that are going round have been printed that the losses were greater than he indicated.

**THE PRESIDENT:** Well, I don't know what epithet you can use for the kind of report that you are referring to — I don't mean Secretary Knox's report — the kind you are referring to.  
*(Spelling out):* R-o-t is the best word for it. And there are an awful lot of reports going around town.

I don't know who it was asked that question. I wish he would look at the [Washington] *Star* cartoon this evening. It will be a very good thing if it is circulated around this country.

The millstone that Uncle Sam is holding carries out the thought in Mr. Winston Churchill's speech, that "Whoever is guilty of bringing about the crime of disunity, of him let it be said that it were better that a millstone were hung about his neck and that he were cast into the sea."

And over in the corner of the room is a poor little fellow

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called John Q. Public, and there is another figure, what might be called an example of people that you see more frequently in Washington than in any other community in the country.

And he is saying, "The British want to fight to the last American."

"Why help the Russians? They will turn on us later."

"We ought to pull out of the Far East. We can't win here — can't win there."

Well, I think the cartoon is a pretty good one, and it is especially applicable to Washington, D. C. — people that you see and hear around here. Washington is the worst rumor factory, and therefore the source of more lies that are spoken and printed throughout the United States than any other community. Now let that sink home about Washington. And you can prove it very easily.

*Q.* Mr. President, would you care to comment, in that connection, on the arguments that are made against loans to Russia, on the theory that it is dangerous to make loans to them — they will become too powerful after the war?

*THE PRESIDENT:* I think so. I think that argument is about on a par with other arguments that are set up by the Cliveden set of Washington.

*Q.* Mr. President, could you tell us something about the new loan to Russia which is now apparently in process of being made?

*THE PRESIDENT:* I think one of the things is that on the original loan we are getting down to the point where most of it will have been obligated. That means not paid out of the Treasury, or anything like that. But it has been obligated, so that when the stuff is made it will be paid out, and that in order to keep the stuff going and the flow continuing without interruption, we will soon have to have more lend-lease authorizations so that that flow can continue.

*Q.* There were reports, sir, apparently from pretty good sources here that deliveries going to Russia were running consider-

## 22. Eight Hundred and Sixth Press Conference

ably below the commitments we made to the Harriman mission in Moscow. Is this connected in any respect to those reports?

THE PRESIDENT: The two things are totally different. The stuff that comes out of this loan has nearly all of it just begun to go, although in the last couple of months now, in actual deliveries, there was a promise — entirely different thing — of things which had already been completed, you see, and that we would get — this was last October — that we would send so many tons is the easiest way of putting it — put it in individual articles like planes — so much a month. And we were up to the promise of shipment on the seventh of December. And then we slowed up in December, and in January, and fell behind the schedule of shipments. And by the first of March we will have caught up again in those two weeks. . . .

Q. Mr. President, would you care to comment on the strategic value to us of the loan to Russia?

THE PRESIDENT: Put it in terms of dead Germans and smashed tanks. Isn't that a pretty good strategic sentence?

Q. Mr. President, there seems to be considerable concern in the country over the possibility of an attack this year on Alaska. Can you give us any reassurance as to the —

THE PRESIDENT: (*interposing*) Of course I couldn't give you any assurance on what is going to happen this summer. But a thing like that is perfectly possible from the point of view of enemy operations.

Q. I was about to ask whether in your opinion the Air Force as it stands, and the Navy as it stands in the Pacific, are sufficient to deal with anything?

THE PRESIDENT: No. Certainly not. They can come in and shell New York tomorrow night, under certain conditions. They can probably, so far as that goes, drop bombs on Detroit tomorrow night, under certain conditions.

Q. Mr. President, would you care to comment on the agitation to have General MacArthur ordered out of the Philippines and given over-all command?

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THE PRESIDENT: No. I don't think so. I think that is just one of "them" things that people talk about without very much knowledge of the situation. A very polite statement. . . .

Q. Can you tell us anything about plans for the Alaskan highway — the proposed Alaskan highway?

THE PRESIDENT: No. The War Department is — I think it has just about completed working on plans. There are various routes that have been suggested, and if there is going to be anything accomplished that would be useful by January, 1943, something would have to be done in the next couple of weeks so as to get the advantage of good weather to get the materials up there.

Q. Do you think it important to get something started before then?

THE PRESIDENT: I think it is important to get better communications to Alaska.

Q. Through Ontario?

THE PRESIDENT: Well, you would have to have a map before I could talk to you. It wouldn't be intelligent — in other words, there are various things that have been suggested. It has been suggested that for the immediate needs of this war it would be more practical to build a — a light, one-track railway — easier to keep it open in the winter. Well, that is one of the things they talked about. Another suggestion is that it would be more practical to send things up on the inland passage — to the end of the inland passage and then a highway from there on. And others have said it would be easier to do the whole thing by transport planes, instead of building a highway. I am speaking in terms of military needs of this year, and possibly of the beginning of next year. Well, I don't — I could not prognosticate what they will do, if anything. . . .

*23. Fireside Chat on Progress of the War*

**23 ¶ “We Must Keep on Striking Our Enemies  
Wherever and Whenever We Can Meet  
Them”— Fireside Chat on Progress  
of the War. February 23, 1942**

*My fellow Americans:*

WASHINGTON'S BIRTHDAY is a most appropriate occasion for us to talk with each other about things as they are today and things as we know they shall be in the future.

For eight years, General Washington and his Continental Army were faced continually with formidable odds and recurring defeats. Supplies and equipment were lacking. In a sense, every winter was a Valley Forge. Throughout the thirteen states there existed fifth columnists — and selfish men, jealous men, fearful men, who proclaimed that Washington's cause was hopeless, and that he should ask for a negotiated peace.

Washington's conduct in those hard times has provided the model for all Americans ever since — a model of moral stamina. He held to his course, as it had been charted in the Declaration of Independence. He and the brave men who served with him knew that no man's life or fortune was secure, without freedom and free institutions.

The present great struggle has taught us increasingly that freedom of person and security of property anywhere in the world depend upon the security of the rights and obligations of liberty and justice everywhere in the world.

This war is a new kind of war. It is different from all other wars of the past, not only in its methods and weapons but also in its geography. It is warfare in terms of every continent, every island, every sea, every air lane in the world.

That is the reason why I have asked you to take out and spread before you a map of the whole earth, and to follow with me the references which I shall make to the world-encircling battle lines of this war. Many questions will, I fear, remain unanswered to-

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night; but I know you will realize that I cannot cover everything in any one short report to the people.

The broad oceans which have been heralded in the past as our protection from attack have become endless battlefields on which we are constantly being challenged by our enemies.

We must all understand and face the hard fact that our job now is to fight at distances which extend all the way around the globe.

We fight at these vast distances because that is where our enemies are. Until our flow of supplies gives us clear superiority we must keep on striking our enemies wherever and whenever we can meet them, even if, for a while, we have to yield ground. Actually, though, we are taking a heavy toll of the enemy every day that goes by.

We must fight at these vast distances to protect our supply lines and our lines of communication with our allies — protect these lines from the enemies who are bending very ounce of their strength, striving against time, to cut them. The object of the Nazis and the Japanese is to separate the United States, Britain, China, and Russia, and to isolate them one from another, so that each will be surrounded and cut off from sources of supplies and reinforcements. It is the old familiar Axis policy of "divide and conquer."

There are those who still think in terms of the days of sailing ships. They advise us to pull our warships and our planes and our merchant ships into our own home waters and concentrate solely on last-ditch defense. But let me illustrate what would happen if we followed such foolish advice.

Look at your map. Look at the vast area of China, with its millions of fighting men. Look at the vast area of Russia, with its powerful armies and proven military might. Look at the British Isles, Australia, New Zealand, the Dutch Indies, India, the Near East, and the continent of Africa, with their resources of raw materials, and of peoples determined to resist Axis domination. Look too at North America, Central America, and South America.

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It is obvious what would happen if all of these great reservoirs of power were cut off from each other either by enemy action or by self-imposed isolation:

First, in such a case, we could no longer send aid of any kind to China — to the brave people who, for nearly five years, have withstood Japanese assault, destroyed hundreds of thousands of Japanese soldiers and vast quantities of Japanese war munitions. It is essential that we help China in her magnificent defense and in her inevitable counteroffensive — for that is one important element in the ultimate defeat of Japan.

Second, if we lost communication with the Southwest Pacific, all of that area, including Australia and New Zealand and the Dutch Indies, would fall under Japanese domination. Japan in such a case could release great numbers of ships and men to launch attacks on a large scale against the coasts of the Western Hemisphere — South America and Central America, and North America — including Alaska. At the same time, she could immediately extend her conquests in the other direction toward India, and through the Indian Ocean to Africa, to the Near East, and try to join forces with Germany and Italy.

Third, if we were to stop sending munitions to the British and the Russians in the Mediterranean, in the Persian Gulf, and the Red Sea, we would be helping the Nazis to overrun Turkey, Syria, Iraq, Persia, Egypt and the Suez Canal, the whole coast of North Africa itself, and with that inevitably the whole coast of West Africa — putting Germany within easy striking distance of South America — fifteen hundred miles away.

Fourth, if by such a fatuous policy we ceased to protect the North Atlantic supply line to Britain and to Russia, we would help to cripple the splendid counteroffensive by Russia against the Nazis, and we would help to deprive Britain of essential food supplies and munitions.

Those Americans who believed that we could live under the illusion of isolationism wanted the American eagle to imitate the tactics of the ostrich. Now, many of those same people, afraid that we may be sticking our necks out, want our national bird

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to be turned into a turtle. But we prefer to retain the eagle as it is — flying high and striking hard.

I know that I speak for the mass of the American people when I say that we reject the turtle policy and will continue increasingly the policy of carrying the war to the enemy in distant lands and distant waters — as far away as possible from our own home grounds.

There are four main lines of communication now being traveled by our ships: the North Atlantic, the South Atlantic, the Indian Ocean, and the South Pacific. These routes are not one-way streets — for the ships that carry our troops and munitions outbound bring back essential raw materials which we require for our own use.

The maintenance of these vital lines is a very tough job. It is a job which requires tremendous daring, tremendous resourcefulness, and, above all, tremendous production of planes and tanks and guns and also of the ships to carry them. And I speak again for the American people when I say that we can and will do that job.

The defense of the world-wide lines of communication demands relatively safe use by us of the sea and of the air along the various routes; and this, in turn, depends upon control by the United Nations of many strategic bases along those routes.

Control of the air involves the simultaneous use of two types of planes — first, the long-range heavy bomber; and second, light bombers, dive bombers, torpedo planes, and short-range pursuit planes, all of which are essential to the protection of the bases and of the bombers themselves.

Heavy bombers can fly under their own power from here to the Southwest Pacific; but the smaller planes cannot. Therefore, these lighter planes have to be packed in crates and sent on board cargo ships. Look at your map again; and you will see that the route is long — and at many places perilous — either across the South Atlantic all the way around South Africa and the Cape of Good Hope, or from California to the East Indies direct. A

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vessel can make a round trip by either route in about four months, or only three round trips in a whole year.

In spite of the length, and in spite of the difficulties of this transportation, I can tell you that in two and a half months we already have a large number of bombers and pursuit planes, manned by American pilots and crews, which are now in daily contact with the enemy in the Southwest Pacific. And thousands of American troops are today in that area engaged in operations not only in the air but on the ground as well.

In this battle area, Japan has had an obvious initial advantage. For she could fly even her short-range planes to the points of attack by using many stepping stones open to her — bases in a multitude of Pacific islands and also bases on the China coast, Indo-China coast, and in Thailand and Malay coasts. Japanese troop transports could go south from Japan and from China through the narrow China Sea which can be protected by Japanese planes throughout its whole length.

I ask you to look at your maps again, particularly at that portion of the Pacific Ocean lying west of Hawaii. Before this war even started, the Philippine Islands were already surrounded on three sides by Japanese power. On the west, the China side, the Japanese were in possession of the coast of China and the coast of Indo-China which had been yielded to them by the Vichy French. On the north are the islands of Japan themselves, reaching down almost to northern Luzon. On the east are the Mandated Islands — which Japan had occupied exclusively, and had fortified in absolute violation of her written word.

The islands that lie between Hawaii and the Philippines — these islands, hundreds of them, appear only as small dots on most maps. But they cover a large strategic area. Guam lies in the middle of them — a lone outpost which we have never fortified.

Under the Washington Treaty of 1921 we had solemnly agreed not to add to the fortification of the Philippines. We had no safe naval bases there, so we could not use the islands for extensive naval operations.

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Immediately after this war started, the Japanese forces moved down on either side of the Philippines to numerous points south of them — thereby completely encircling the Philippines from north, south, east, and west.

It is that complete encirclement, with control of the air by Japanese land-based aircraft, which has prevented us from sending substantial reinforcements of men and material to the gallant defenders of the Philippines. For forty years it has always been our strategy — a strategy born of necessity — that in the event of a full-scale attack on the Islands by Japan, we should fight a delaying action, attempting to retire slowly into Bataan Peninsula and Corregidor.

We knew that the war as a whole would have to be fought and won by a process of attrition against Japan itself. We knew all along that, with our greater resources, we could outbuild Japan and ultimately overwhelm her on sea, on land, and in the air. We knew that, to attain our objective, many varieties of operations would be necessary in areas other than the Philippines.

Now nothing that has occurred in the past two months has caused us to revise this basic strategy of necessity — except that the defense put up by General MacArthur has magnificently exceeded the previous estimates of endurance; and he and his men are gaining eternal glory therefor.

MacArthur's army of Filipinos and Americans, and the forces of the United Nations in China, in Burma, and the Netherlands East Indies, are all together fulfilling the same essential task. They are making Japan pay an increasingly terrible price for her ambitious attempts to seize control of the whole Asiatic world. Every Japanese transport sunk off Java is one less transport that they can use to carry reinforcements to their army opposing General MacArthur in Luzon.

It has been said that Japanese gains in the Philippines were made possible only by the success of their surprise attack on Pearl Harbor. I tell you that this is not so.

Even if the attack had not been made your map will show that it would have been a hopeless operation for us to send the fleet

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to the Philippines through thousands of miles of ocean, while all those island bases were under the sole control of the Japanese.

The consequences of the attack on Pearl Harbor — serious as they were — have been wildly exaggerated in other ways. And these exaggerations come originally from Axis propagandists; but they have been repeated, I regret to say, by Americans in and out of public life.

You and I have the utmost contempt for Americans who, since Pearl Harbor, have whispered or announced “off the record” that there was no longer any Pacific Fleet — that the fleet was all sunk or destroyed on December 7 — that more than a thousand of our planes were destroyed on the ground. They have suggested slyly that the Government has withheld the truth about casualties — that eleven or twelve thousand men were killed at Pearl Harbor instead of the figures as officially announced. They have even served the enemy propagandists by spreading the incredible story that shiploads of bodies of our honored American dead were about to arrive in New York Harbor to be put into a common grave.

Almost every Axis broadcast — Berlin, Rome, Tokyo — directly quotes Americans who, by speech or in the press, make damnable misstatements such as these.

The American people realize that in many cases details of military operations cannot be disclosed until we are absolutely certain that the announcement will not give to the enemy military information which he does not already possess.

Your Government has unmistakable confidence in your ability to hear the worst, without flinching or losing heart. You must, in turn, have complete confidence that your Government is keeping nothing from you except information that will help the enemy in his attempt to destroy us. In a democracy there is always a solemn pact of truth between Government and the people; but there must also always be a full use of discretion — and that word “discretion” applies to the critics of Government as well.

This is war. The American people want to know, and will be

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told, the general trend of how the war is going. But they do not wish to help the enemy any more than our fighting forces do; and they will pay little attention to the rumor-mongers and the poison peddlers in our midst.

To pass from the realm of rumor and poison to the field of facts: The number of our officers and men killed in the attack on Pearl Harbor on December 7 was 2,340, and the number wounded was 946. Of all the combatant ships based at Pearl Harbor — battleships, heavy cruisers, light cruisers, aircraft carriers, destroyers and submarines — only three are permanently put out of commission.

Very many of the ships of the Pacific Fleet were not even in Pearl Harbor. Some of those that were there were hit very slightly; and others that were damaged have either rejoined the fleet by now or are still undergoing repairs. And when those repairs are completed, the ships will be more efficient fighting machines than they were before.

The report that we lost more than a thousand planes at Pearl Harbor is as baseless as the other weird rumors. The Japanese do not know just how many planes they destroyed that day, and I am not going to tell them. But I can say that to date — and including Pearl Harbor — we have destroyed considerably more Japanese planes than they have destroyed of ours.

We have most certainly suffered losses — from Hitler's U-boats in the Atlantic as well as from the Japanese in the Pacific — and we shall suffer more of them before the turn of the tide. But, speaking for the United States of America, let me say once and for all to the people of the world: We Americans have been compelled to yield ground, but we will regain it. We and the other United Nations are committed to the destruction of the militarism of Japan and Germany. We are daily increasing our strength. Soon, we and not our enemies will have the offensive; we, not they, will win the final battles; and we, not they, will make the final peace.

Conquered Nations in Europe know what the yoke of the Nazis is like. And the people of Korea and of Manchuria know

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in their flesh the harsh despotism of Japan. All of the people of Asia know that if there is to be an honorable and decent future for any of them or any of us, that future depends on victory by the United Nations over the forces of Axis enslavement.

If a just and durable peace is to be attained, or even if all of us are merely to save our own skins, there is one thought for us here at home to keep uppermost — the fulfillment of our special task of production.

Germany, Italy, and Japan are very close to their maximum output of planes, guns, tanks, and ships. The United Nations are not — especially the United States of America.

Our first job then is to build up production — uninterrupted production — so that the United Nations can maintain control of the seas and attain control of the air — not merely a slight superiority, but an overwhelming superiority.

On January 6 of this year, I set certain definite goals of production for airplanes, tanks, guns, and ships. The Axis propagandists called them fantastic. Tonight, nearly two months later, and after a careful survey of progress by Donald Nelson and others charged with responsibility for our production, I can tell you that those goals will be attained.

In every part of the country, experts in production and the men and women at work in the plants are giving loyal service. With few exceptions, labor, capital, and farming realize that this is no time either to make undue profits or to gain special advantages, one over the other.

We are calling for new plants and additions to old plants. We are calling for plant conversion to war needs. We are seeking more men and more women to run them. We are working longer hours. We are coming to realize that one extra plane or extra tank or extra gun or extra ship completed tomorrow may, in a few months, turn the tide on some distant battlefield; it may make the difference between life and death for some of our own fighting men. We know now that if we lose this war it will be generations or even centuries before our conception of democracy can live again. And we can lose this war only if we slow up

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our effort or if we waste our ammunition sniping at each other.

Here are three high purposes for every American:

1. We shall not stop work for a single day. If any dispute arises we shall keep on working while the dispute is solved by mediation, conciliation, or arbitration — until the war is won.

2. We shall not demand special gains or special privileges or special advantages for any one group or occupation.

3. We shall give up conveniences and modify the routine of our lives if our country asks us to do so. We will do it cheerfully, remembering that the common enemy seeks to destroy every home and every freedom in every part of our land.

This generation of Americans has come to realize, with a present and personal realization, that there is something larger and more important than the life of any individual or of any individual group — something for which a man will sacrifice, and gladly sacrifice, not only his pleasures, not only his goods, not only his associations with those he loves, but his life itself. In time of crisis when the future is in the balance, we come to understand, with full recognition and devotion, what this Nation is, and what we owe to it.

The Axis propagandists have tried in various evil ways to destroy our determination and our morale. Failing in that, they are now trying to destroy our confidence in our own allies. They say that the British are finished — that the Russians and the Chinese are about to quit. Patriotic and sensible Americans will reject these absurdities. And instead of listening to any of this crude propaganda, they will recall some of the things that Nazis and Japanese have said and are still saying about us.

Ever since this Nation became the arsenal of democracy — ever since enactment of lend-lease — there has been one persistent theme through all Axis propaganda.

This theme has been that Americans are admittedly rich, that Americans have considerable industrial power — but that Americans are soft and decadent, that they cannot and will not unite and work and fight.

From Berlin, Rome, and Tokyo we have been described as a

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Nation of weaklings — “playboys” — who would hire British soldiers, or Russian soldiers, or Chinese soldiers to do our fighting for us.

Let them repeat that now!

Let them tell that to General MacArthur and his men.

Let them tell that to the sailors who today are hitting hard in the far waters of the Pacific.

Let them tell that to the boys in the Flying Fortresses.

Let them tell that to the Marines!

The United Nations constitute an association of independent peoples of equal dignity and equal importance. The United Nations are dedicated to a common cause. We share equally and with equal zeal the anguish and the awful sacrifices of war. In the partnership of our common enterprise, we must share in a unified plan in which all of us must play our several parts, each of us being equally indispensable and dependent one on the other.

We have unified command and cooperation and comradeship.

We Americans will contribute unified production and unified acceptance of sacrifice and of effort. That means a national unity that can know no limitations of race or creed or selfish politics. The American people expect that much from themselves. And the American people will find ways and means of expressing their determination to their enemies, including the Japanese Admiral who has said that he will dictate the terms of peace here in the White House.

We of the United Nations are agreed on certain broad principles in the kind of peace we seek. The Atlantic Charter applies not only to the parts of the world that border the Atlantic but to the whole world; disarmament of aggressors, self-determination of Nations and peoples, and the four freedoms — freedom of speech, freedom of religion, freedom from want, and freedom from fear.

The British and the Russian people have known the full fury of Nazi onslaught. There have been times when the fate of London and Moscow was in serious doubt. But there was never the

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slightest question that either the British or the Russians would yield. And today all the United Nations salute the superb Russian Army as it celebrates the twenty-fourth anniversary of its first assembly.

Though their homeland was overrun, the Dutch people are still fighting stubbornly and powerfully overseas.

The great Chinese people have suffered grievous losses; Chungking has been almost wiped out of existence — yet it remains the Capital of an unbeatable China.

That is the conquering spirit which prevails throughout the United Nations in this war.

The task that we Americans now face will test us to the uttermost. Never before have we been called upon for such a prodigious effort. Never before have we had so little time in which to do so much.

"These are the times that try men's souls." Tom Paine wrote those words on a drumhead, by the light of a campfire. That was when Washington's little army of ragged, rugged men was retreating across New Jersey, having tasted nothing but defeat.

And General Washington ordered that these great words written by Tom Paine be read to the men of every regiment in the Continental Army, and this was the assurance given to the first American armed forces:

"The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of their country; but he that stands it now, deserves the love and thanks of man and woman. Tyranny, like hell, is not easily conquered; yet we have this consolation with us, that the harder the sacrifice, the more glorious the triumph."

So spoke Americans in the year 1776.

So speak Americans today!

**NOTE:** This was one of the most important and effective fireside chats the President ever delivered, not excepting the first fireside chat on the banking crisis (see Item 16, pp. 61-66, 1933 volume). In an atmosphere of defeat and despair, when the fortunes of war were near their bleakest point, the President sought in this address to explain

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clearly the global strategy of the war, to give a complete account of where the Allies stood, and to encourage not only Americans but peoples all over the world that the fight for liberation and victory could be won.

In advance of this fireside chat, the President asked the press to announce to the people that it

would be helpful to have maps of the world handy in order to follow his discussion of the supply lines and strategic considerations of the war. An unusually large number of newspapers also printed large map spreads, often in color, to assist radio listeners in following the President while he spoke.

## 24 ¶ The National Housing Agency Is Established. Executive Order No. 9070.

February 24, 1942

BY VIRTUE of the authority vested in me by Title I of the First War Powers Act, 1941, approved December 18, 1941 (Public Law 354, 77th Congress), and as President of the United States, it is hereby ordered as follows:

1. The following agencies, functions, duties, and powers are consolidated into a National Housing Agency and shall be administered as hereinafter provided under the direction and supervision of a National Housing Administrator:
  - (a) The Federal Housing Administration and its functions, powers, and duties, including those of the Administrator thereof.
  - (b) All functions, powers, and duties of the Federal Home Loan Bank Board and of its members.
  - (c) The Home Owners' Loan Corporation and the functions, powers, and duties of its Board of Directors.
  - (d) The Federal Savings and Loan Insurance Corporation and the functions, powers, and duties of its Board of Trustees.
  - (e) The United States Housing Authority and its functions, powers, and duties, including those of the Administrator thereof.
  - (f) All functions, powers, and duties relating to defense hous-

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ing of (1) the Federal Works Administrator under the act of October 14, 1940, entitled "An Act to expedite the provision of housing in connection with national defense, and for other purposes," as amended, and under acts making appropriations to carry out the purposes of said act, (2) the War Department and the Navy Department with respect to housing units for persons (with families) engaged in national defense activities (except housing units located on military or naval reservations, posts, or bases) under Title IV of the Naval Appropriation Act for the fiscal year 1941, and (3) any agencies heretofore designated (including the Federal Works Agency and the Farm Security Administration) to provide temporary shelter in defense areas under the Urgent Deficiency Appropriation Act, 1941, and the Additional Urgent Deficiency Appropriation Act, 1941, and the Third Supplemental National Defense Appropriation Act, 1942.

(g) All functions, powers, and duties of the Farm Security Administration relating to such housing projects as such Administration determines are for families not deriving their principal income from operating or working upon a farm.

(h) The Defense Homes Corporation and its functions, powers, and duties, including those of its officers and Board of Directors.

(i) All functions, powers, and duties of the Federal Loan Administrator, the Federal Works Administrator, and the head of any department or other agency relating to the administration or supervision of the agencies, functions, powers, and duties transferred hereunder.

(j) All functions, powers, and duties of the Division of Defense Housing Coordination established by Executive Order No. 8632 of January 11, 1941, and of the Coordinator of Defense Housing: *Provided*, That such Division and such Coordinator shall continue to exercise such functions, powers, and duties until the appointment or designation of the National Housing Administrator.

(k) All powers, rights, privileges, duties, and functions trans-

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ferred to the Federal Works Administrator by Executive Order No. 8186 of June 29, 1939:

*Provided*, That with respect to any functions, powers, and duties enumerated in sub-paragraphs (f) and (g) above, any agency now engaged in the construction or management of any project shall continue such activities on behalf of the National Housing Agency until such time as the National Housing Administrator shall determine that it is expedient for the Federal Public Housing Authority, herein provided for, to discharge such functions, powers, and duties with respect to such project through its own facilities.

2. The National Housing Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive a salary of \$12,000 a year unless the Congress shall otherwise provide. Pending such appointment, an existing officer of the Government designated by the President shall act as National Housing Administrator.

3. There shall be three main constituent units in the National Housing Agency. Each such unit shall be administered by a commissioner acting under the direction and supervision of the National Housing Administrator. The unit administering the Federal Housing Administration and its functions, powers, and duties shall be known as the Federal Housing Administration, and the Federal Housing Administrator shall serve as Federal Housing Commissioner. The unit administering the functions, powers, and duties of the Federal Home Loan Bank Board and its members shall be known as the Federal Home Loan Bank Administration, and the Chairman of the Federal Home Loan Bank Board shall serve as Federal Home Loan Bank Commissioner. The United States Housing Authority and its functions, powers, and duties shall be administered as the Federal Public Housing Authority, one of the main constituent units, and the Administrator of the United States Housing Authority shall serve as Federal Public Housing Commissioner. The agencies, functions, powers, and duties enumerated in sub-paragraphs (c), (d), and (k) of paragraph 1 shall be administered in the Federal

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Home Loan Bank Administration, and those enumerated in subparagraphs (f) and (g) shall be administered in the Federal Public Housing Authority. The agency, functions, powers, and duties enumerated in sub-paragraph (h) of paragraph 1 shall also be administered by the Federal Public Housing Commissioner. The Administrator of the National Housing Agency may centralize in the office of the National Housing Administrator such budget, personnel, legal, procurement, research, planning, or other administrative services or functions common to the said constituent units as he may determine.

4. The capital stock of the Defense Homes Corporation shall be transferred from the Federal Loan Administrator to the National Housing Administrator, and the Federal Loan Administrator and the Defense Homes Corporation shall take all necessary action to effectuate such transfer and carry out the purposes hereof.

5. The Central Housing Committee is hereby abolished, and all of its assets, contracts, property (including office equipment and records), and unexpended balances of funds available for its use are hereby transferred to the National Housing Agency.

6. All assets, contracts, and property (including office equipment and records) of any agency hereby consolidated, and all assets, contracts, and property (including office equipment and records) which other agencies, including departments, have been using primarily in the administration of any function, power, or duty hereby consolidated or transferred, are hereby transferred, respectively, with such agency, function, power, or duty.

7. Except as provided in paragraph 8 hereof, (1) all personnel of any agency hereby consolidated, and (2) all personnel of other agencies, including departments, who have been engaged primarily in the administration of any function, power, or duty hereby consolidated or transferred and who within thirty days after the appointment or designation of the National Housing Administrator are jointly certified for transfer by said Administrator and the head of the department or agency to which such personnel is attached, shall be transferred, respectively, with such

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agency, functions, power, or duty; but any personnel transferred with functions, powers, or duties pursuant to this paragraph who are found by the National Housing Administrator to be in excess of the personnel necessary for the administration of such functions, powers, and duties shall be retransferred under existing law to other positions in the Government or separated from the service.

8. The following personnel are not transferred hereunder: (1) the Directors and Officers of the Defense Homes Corporation, (2) the members of the Federal Home Loan Bank Board other than the Chairman, (3) the Directors of the Home Owners' Loan Corporation, and (4) the Trustees of the Federal Savings and Loan Insurance Corporation. The offices of the foregoing personnel excepted from transfer by this paragraph (except in the case of the Defense Homes Corporation) are hereby vacated for the duration of this order: *Provided*, That the offices of the members of the Federal Home Loan Bank Board shall not be vacated until sixty days from the date of this order. The personnel of the Division of Defense Housing Coordination and of the Central Housing Committee are not transferred hereunder, except that the National Housing Administrator, within sixty days after his appointment or designation, may take over such of this personnel as are needed. During such period, all personnel of such Division and of such Committee may be retained by them in connection with the winding up of their affairs.

9. So much of the unexpended balances of appropriations, authorizations, allocations, or other funds (not otherwise transferred hereunder) available for the use of any agency in the exercise of any function, power, or duty consolidated by this Order, or for the use of the head of any department or agency in the exercise of any such function, power, or duty, as the Director of the Bureau of the Budget shall determine (with the approval of the President), shall be transferred, respectively, to the National Housing Agency or the main constituent unit therein concerned, for its use in connection with the exercise of the functions, powers, or duties, respectively, to be administered

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by it hereunder. In determining the amount to be transferred, the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, authorizations, allocations, or other funds prior to transfer.

10. All housing now owned by the United States and located on a military or naval reservation, post, or base is hereby transferred to the jurisdiction of the War or Navy Department, respectively, having jurisdiction of such reservation, post, or base: *Provided*, That with respect to all housing developed by the War or Navy Department under Title II of Public 671, approved June 28, 1940, the Federal Public Housing Authority shall take all necessary steps to transfer such jurisdiction and carry out the purpose hereof, including the transfer of title to the United States and including repayment (out of any funds available therefor) of the cost of such housing for reimbursement of the Bond Account from which funds were transferred to pay such costs.

11. The Director of the Bureau of the Budget shall allocate to the National Housing Agency, from appropriations, authorizations, allocations, or other funds available for the administrative expenses of the Federal Loan Agency and the Federal Works Agency (relating to the administration of the agencies and functions transferred therefrom hereunder) and of the agencies and functions, powers, and duties consolidated hereunder, such sums, and in such proportions, as he may find necessary for the administrative expenses of the National Housing Agency. None of the agencies established or consolidated hereunder shall incur any obligations for administrative expenses except pursuant to appropriations, allocations, or other authorizations of funds specifically available now or hereafter for administrative expenses.

12. The National Housing Administrator may appoint necessary personnel and make necessary expenditures to carry out the functions, powers, and duties of the National Housing Agency. The Administrator and the Commissioners hereunder may delegate their respective functions, powers, and duties to such agencies, officials, or personnel as they may designate, respectively. Until the appointment or designation of a National Housing

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Administrator, the Commissioners respectively shall exercise such of the functions, powers, and duties of the National Housing Administrator as relate to the agencies, functions, powers, and duties to be administered by such Commissioners respectively.

13. Nothing herein shall impair or affect any outstanding obligations or contracts of any agency consolidated hereunder or of the United States of America (including its pledge of faith to the payment of all annual contributions now or hereafter contracted for pursuant to the United States Housing Act, as amended), or of any Insurance Funds created under the National Housing Act.

14. All orders, rules, regulations, permits, or other privileges made, issued, or granted by or in respect of any agency, function, power, or duty consolidated hereunder shall continue in effect to the same extent as if such consolidation had not occurred until modified, superseded, or repealed, except that the regulations of January 11, 1941, relating to defense housing coordination shall hereby be revoked upon the appointment or designation of the National Housing Administrator.

15. All unexpended balances of appropriations, authorizations, allocations, or other funds transferred under this Order shall be used only for the respective purposes and in the administration of the respective functions for which such funds were made available.

16. Transfers of available funds under this Order shall include funds available for the fiscal year ending June 30, 1943.

17. This Order shall become effective as of the date hereof and shall be in force and effect so long as Title I of the First War Powers Act, 1941, remains in force.

*NOTE:* During 1941 and through the early months of the war, sixteen different Government agencies administered all the various aspects of public construction of housing and the encouragement of private construction of housing through the extension of Government credit

or Government guarantees. This multiplicity of agencies with related functions and objectives naturally resulted in considerable duplication and conflict.

Since 1937, the United States Housing Authority had been engaged in stimulating slum clearance

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and low-rent housing programs carried out through local housing authorities. (See Item 143 and note, pp. 465-472, 1937 volume.) Congress withheld adequate funds for the United States Housing Authority. With the appearance of unprecedented demands for new housing to accommodate thousands of defense workers, and the continued hostility of the Congress toward the U.S.H.A., the latter was by-passed by other Government agencies or new agencies were created.

By Executive Order No. 8632, issued on January 11, 1941, the President had established the Division of Defense Housing Coordination in the Office for Emergency Management (see Item 156 and note, pp. 703-709, 1940 volume). While this agency brought some degree of coordination of defense housing policy, it had no authority other than persuasion, and therefore could not provide effective administrative control. Nor did it have any jurisdiction at all over housing not to be used for defense workers. Under the terms of the Lanham Act and other defense housing legislation (see Item 59 and note, 1941 volume), the Public Buildings Administration and other units of the Federal Works Agency were also engaged, at the same time, in construction of defense housing. Certain defense housing construction was also carried on or supervised by the War and Navy Departments and the Defense Homes Corporation.

There were, besides, a considerable number of Federal agencies engaged in encouraging and facilitating construction of housing by private corporations and individuals. The largest of these were the Federal Housing Administration (see Item 157 and note, pp. 522-532, 1937 volume), the operations of which were concerned with insurance of home loans made by private lending institutions; and the Federal Home Loan Bank Board, which provided credit resources for building and loan associations, and other home lending institutions. The other agencies engaged in furthering private housing were the Home Owners' Loan Corporation, Federal Savings and Loan Insurance Corporation, and the Federal National Mortgage Association.

After I had made the investigation and submitted recommendations which resulted in setting up S.P.A.B. (see note to Item 83, 1941 volume), the President asked me to tackle the problem of the many housing agencies and see whether by grouping and reorganization some order could not be brought out of the chaos and conflict and duplication which were holding up housing construction.

Of all the many administrative problems which the President referred to me, the housing reorganization took the longest period of time. Despite the length of time which it took to complete the re-

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organization — I started working on housing in early October, 1941, and the Executive Order was not issued until the end of February, 1942 — the issues were not as difficult to resolve as had been those in the establishment of the Supply Priorities and Allocations Board. The main reason for this was that a consolidation of the scattered agencies involved in housing was the logical solution right from the start. The various field offices of the different housing agencies were complaining of conflict and duplication, and the press and housing and labor groups were justly critical of the confusion.

In working out the housing problem, I talked with more individuals in and out of the Government than on any other administrative problem on which I worked. The great number of agencies involved in the housing area, and the natural interest of so many non-governmental groups, made this a long, drawn-out process. I spent many months on the job, interviewing the heads and some of the staff of all of the Federal housing agencies, local public officials, and non-government individuals and groups — such as representatives of organized labor — who had been interested and active in the housing field. My wife, Dorothy Rosenman, had for many years taken an active interest in housing problems. She was Chairman of the National Committee on the Housing Emergency, a non-profit organization (see Item 51

and note, 1941 volume). On July 3, 1941, she had written to the President on behalf of her organization, suggesting that the President examine the housing agencies and the possibility of regrouping them.

The most intensive part of my work on housing was done in October and early November, 1941. On November 12, I submitted a tentative reorganization plan to the President, involving a new agency with two principal divisions — one division to which would be transferred all public housing functions, and another division to carry out the functions of Government used to encourage private building of homes. The final form of the new National Housing Agency as recommended by me, and as embodied in the foregoing Executive Order, comprised three constituent units — the original two, and a third one to take care of the lending functions of the Federal Government in housing. The three units were called: the Federal Public Housing Authority, Federal Housing Administration, and Federal Home Loan Bank Administration.

When I first presented the housing reorganization plan to the President, the Nation was still at peace. The President did not possess all the powers of administrative reorganization which he later received, several weeks after Pearl Harbor, in the First War Powers Act. Therefore, we considered several alternative methods of bringing about the

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reorganization. These included: the submission of a proposed bill to the Congress; the extension of power under the reorganization act to submit reorganization plans to the Congress for the duration of the unlimited national emergency; and the extension of power to submit a reorganization of housing only, within, say, sixty days. There was a difference of opinion as to the best method. Pearl Harbor, of course, settled this issue, for the President was soon given the power in sweeping terms to reorganize and group departments and agencies.

Throughout my investigation of the housing problem, Leon H. Keyserling was extremely helpful in making suggestions. His wide knowledge of all aspects of housing, and of the many agencies involved in the subject, made my task much easier.

The Federal Housing Administration operated the home mortgage insurance program. The Federal Home Loan Bank Administration provided credit reserves to home-financing institutions who were members of the Federal Home Loan Bank System, insured investors in savings and loan associations against loss and also included the Home Owners' Loan Corporation. The Federal Public Housing Administration was responsible for administration of the low-rent housing program and the construction and operation of publicly financed war housing. The functions, powers, and duties of the constitu-

ent units were administered under the direction and supervision of the National Housing Administrator. (See Press Conference, Item 25, this volume, for further description by the President of this Order.)

The new Order gave more unified direction to the housing program — war and civilian — and vested in a single Administrator the comprehensive power to carry it out. The Order made no basic changes in the purposes or objectives of the war housing program, but was designed to simplify and improve administration. Some of the agencies transferred to the National Housing Agency had, prior to the order, been part of the Federal Loan Agency. Simultaneously with the issuance of the foregoing Executive Order, the President issued another Executive Order transferring to the Department of Commerce the remaining activities of the Federal Loan Agency.

There were a number of immediate results of this consolidation of all of the Federal agencies concerned with housing. Public and private housing activities were integrated, instead of being carried on independent of each other. This unified planning and operation resulted in economy in time, materials, and money. It became possible to develop more uniform policies, especially with respect to rentals and occupancy and location, so that private and public housing would not compete with each other. The N.H.A. organization was also

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able to effect savings in construction costs through increased standardization of architectural types.

The reorganization established a single focal point for all housing matters. This considerably simplified relations with the Congress and with other Federal agencies, as well as with State and local authorities, builders and other businessmen, labor and consumer groups, and the public. For example, procurement of materials and negotiation for priorities with the War Production Board were considerably simplified since these functions could be exercised by a single unit, the National Housing Agency, rather than by a number of often competing Government agencies. In the same way, relations with the War Manpower Commission in obtaining estimates of war-worker population on which housing needs were based were facilitated by the creation of one agency representing all housing interests.

From the day of its establishment, the National Housing Agency regarded war housing as its primary concern. Millions of workers and their families migrated to war production centers to make the munitions and tools of war. Teeming new cities — such as Oak Ridge, Tennessee — sprang up overnight. Other industrial cities were overwhelmed by floods of new workers. Washington, D.C., the various State capitals, and hundreds of other cities throughout the country overflowed with workers who had left

their homes to help in the new administrative jobs made necessary by the war.

Construction materials were scarce because they were urgently needed for military purposes. Therefore, the National Housing Agency in cooperation with other Government agencies, wrestled with the difficult problem of parceling out facilities to be allocated to housing.

On April 9, 1942, the War Production Board issued Conservation Order No. L-41 which provided that all construction not essential to the successful prosecution of the war be deferred for the duration of the emergency. Under this Order, the National Housing Agency was given the power to process applications for authority to begin construction of private housing and other structures essential to civilian needs. The N.H.A., in cooperation with the War Manpower Commission and the War Production Board, decided which localities most urgently needed war housing, the number and types of accommodations necessary, the extent to which existing houses could be used, and the type of the new construction in the critical area. After the N.H.A. decided that construction was necessary, it apportioned the amount of building to be done among public and private housing agencies. Its guiding principle in such apportionment was that the largest possible percentage of war housing construction should be

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allocated to private enterprise. Throughout the war period private enterprise was relied upon for the provision of the larger part of housing construction. Publicly financed war housing was reserved principally for the construction of dormitories and temporary family units. The peak of publicly financed residential construction was in 1943 when 47 percent of the total number of residential units constructed were publicly financed. The percentage declined sharply to 18 in 1944 and 8 in 1945. Of the publicly financed new war housing, only 35 percent were permanent structures. It was, of course, difficult to attract private funds for the construction of dormitories for single persons and other "stopgap" housing of a temporary nature.

In order to insure the maximum use of existing local housing facilities, and also to help new war workers, the N.H.A. helped set up a number of war housing centers in cities close to war production activities. These war housing centers maintained a central registry of dwelling units and rooms and searched out all possible housing facilities in the areas. They were later used to furnish information to the local community regarding public and private war housing and the eligibility of applicants for priorities or financial assistance in construction or remodeling existing houses.

As a result of "share your home" campaigns and other efforts of the

war housing centers, 2,115,000 housing accommodations were provided from the existing housing in the Nation. This was accomplished not only by filling vacant rooms, but through the conversion of old buildings and large houses to provide more dwelling quarters. Financing for conversions, and architectural and technical assistance to property owners, were supplied under N.H.A. auspices. Conversion of existing buildings not only made housing available more quickly and more cheaply than new construction but also saved great quantities of critical materials needed elsewhere in the war effort.

During the defense and war periods, shelter was provided for more than 9,000,000 war workers who had migrated from their homes to war production centers. When the war ended, 1,884,000 housing accommodations had been completed, including permanent and temporary houses, demountable houses, units obtained by conversion, dormitories, and stop-gap housing accommodations. This included both public and private construction. Most of this construction had been completed by the end of 1944. The few thousand houses constructed during 1945 were designed for specialized areas where the need was most immediate for speeding up war production.

Approximately \$8,000,000,000 of public and private funds were expended for housing from 1940 through 1945. Public funds total-

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ing approximately \$2,300,000,000 were authorized through five major acts of the Congress and also through transfer of funds from other governmental agencies. The following summary indicates the sources and the nature of the expenditure of public funds for housing during the war period:

1. The Lanham Act (54 Stat. 1125), as amended a number of times during the war. This Act authorized N.H.A. to provide war housing and authorized funds to be appropriated for this purpose. (See also Items 8 and 59 and notes, 1941 volume; Item 56 and note, this volume; and Item 49 and note, 1943 volume, for discussion of Lanham Act amendments.) This Act alone accounted for expenditure of close to \$1,500,000,000 in the defense and war periods and through December 31, 1945.

2. Three Temporary Shelter Acts, which appropriated funds specifically for temporary housing. Approximately \$308,000,000 were expended under the Temporary Shelter Acts and amendments.

3. The United States Housing Act Defense Amendment (54 Stat. 676), authorizing the use of balances available to the United States Housing Authority for war housing, and also authorizing the temporary use of existing low-rent housing for war workers during the emergency. Under this Act approximately \$290,000,000 were expended through December 31, 1945.

4. The Army-Navy Appropriation

Act (54 Stat. 872), as amended, which appropriated funds to provide housing for families of personnel on Army and Navy bases. Approximately \$54,500,000 were expended through December 31, 1945, under this act.

5. Defense Homes Corporation. Approximately \$76,000,000 of public funds were loaned through December 31, 1945, on credit obtained from the Reconstruction Finance Corporation to construct permanent housing for use of war personnel during the emergency; this housing was sold as promptly as possible and the loans were repaid.

6. Other public funds, totaling approximately \$100,000,000, were made available through appropriations to the U. S. Maritime Commission, Defense Plant Corporation, and New York State Housing Authority.

Over \$5,000,000,000 were expended in privately financed war housing through December 31, 1945. A sizable percentage of the private money invested in war housing was secured by mortgages insured through the Federal Housing Administration (F.H.A.), one of the constituents of the N.H.A. The Congress in March, 1941, amended the National Housing Act (see Items 82, 1934 volume, and 157, 1937 volume) by the passage of a new Title VI (55 Stat. 55), which was specifically added to stimulate increased private construction of defense housing by liberalizing

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Item	Started through December, 1945	Under con- struction, as of end of month December, 1945	Completed through December, 1945
Grand total, all accommodations.....	4,136,928	117,973	4,018,955
Use of existing private structures by war workers.....	2,115,000	0	2,115,000
Additional accommodations.....	2,021,928	117,973	1,903,955
Program for essential in-migrant war workers.....	1,892,606	39,636	1,852,970
Privately financed construction.....	1,036,837	23,845	1,012,992
Conversion.....	199,146	556	198,590
With priority assistance.....	24,146	556	23,590
Without priority assistance.....	175,000	—	175,000
New construction.....	837,691	23,289	814,402
With priority assistance.....	535,691	23,289	512,402
Without priority assistance.....	302,000	—	302,000
Publicly financed construction.....	855,769	15,791	839,978
Conversion, H.O.L.C.....	49,449	0	49,449
New construction, includes other than H.O.L.C. conversion.....	806,320	15,791	790,529
Active.....	625,833	5,363	620,470
Terminated and stand-by, after started.....	180,487	10,428	170,059
Program to relieve general housing shortages impeding war production.....	30,876	28,294	2,582
Privately financed construction:			
New construction, with priority.....	30,672	28,090	2,582
Publicly financed construction:			
New construction, with priority.....	204	204	0
Program for veterans and individual hardship cases: Privately financed construction.....	98,446	50,043	48,403
New construction, with priority.....	61,600	45,000	16,600
Conversion, with priority.....	36,846	5,043	31,803

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mortgage insurance requirements. By numerous amendments, Congress from time to time raised the maximum total amount which the F.H.A. could insure under Title VI, until, by the end of 1945, loans in the amount of \$1,708,000,000 were insured by the F.H.A. under that title to finance the private construction of approximately 415,000 new dwelling units. In addition, the F.H.A. insured an equally large amount of mortgages on existing homes and the financing of repairs and improvements under other titles of the Act. From 1940 through 1945, housing constructed by private enterprise with F. H. A.-insured financing totaled 763,598 family units. Great strides were also

made by the Federal Home Loan Bank Administration. During the war period, the resources and strength of the Federal Home Loan Bank System increased markedly. Through the years 1942 and 1945 total assets of all member associations rose by 58.9 percent. During the same four-year period total resources of Federal savings and loan associations increased by 80.5 percent. The institutions played an important part in the financing of war housing construction.

The table on page 130 shows the total housing program of the National Housing Agency during the period July 1, 1940—December 31, 1945.

## 25 ¶ The Eight Hundred and Seventh Press Conference (Excerpts). February 24, 1942

(*Shelling of California coast — Inaccurate press reports — Tourists in Washington — National Housing Agency — Transfer of lending functions to Department of Commerce.*)

Q. Mr. President, would you comment, sir, on the shelling of the California coast by a submarine last night?

THE PRESIDENT: I suppose the best comment is to repeat what somebody said earlier this morning, just after I got waked up, and that was that it was an excellent example of political warfare. I think it was too. Only I think it might react in the opposite direction from what it was intended.

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*Q.* Mr. President, have you any information from the Navy as to what happened to the sub?

**THE PRESIDENT:** No. At the present time it is probably under water. (*Laughter*)

*Q.* Voluntarily?

**THE PRESIDENT:** So far as I know, voluntarily. (*Laughter*)

I have a long thing here today to give you. If you have got any other questions first, go ahead and shoot them. Then I have a whole story for you.

*Q.* I have one, sir. In your radio talk last night you mentioned at one point Americans who in and out of Government since Pearl Harbor have been whispering all these rumors about the fleet, and the planes, and casualties, et cetera.

**THE PRESIDENT:** (*interjecting*) Yes.

*Q.* (*continuing*) Did you have anyone specifically in mind when you said that?

**THE PRESIDENT:** Quite a number of people.

*Q.* Would you care to —

**THE PRESIDENT:** (*interposing*) No.

*Q.* (*continuing*) — mention any names?

**THE PRESIDENT:** I think you know just about as well as I do.

*Q.* Mr. President, there is a report published in a midwest paper that Secretary Hull was going to resign?

**THE PRESIDENT:** I saw that report, because it was sent over to me, and it has already been commented on by the State Department. I think the State Department characterized it as a flat lie. Furthermore, that the whole story was a flat lie.

Now this has got to be off the record, because it is just between us. There is one of the things that I was talking about last night. Two newspapers ran a story this morning to this general effect that indignant British and Russian officials in Washington have made known their feelings regarding the situation in the Caribbean, which is swarming with Nazi submarines based on French islands.

Now, in the first place, I raise the question, just among us, as to whether that is not a lie. I don't believe that indignant

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British and Russian officials in Washington made their feelings known. I don't believe it for a minute. I think that's pure invention on the part of the young gentleman who wrote the story, and many of you do too. No responsible British and Russian officials have said anything of the kind in Washington.

I will make an even money bet with the fellow who wrote the story. I will make an even money bet today that no responsible Russian or British official said so, because any responsible British or Russian official would not deliberately say something that he knew was not true. That comes right back to the fellow who wrote the story.

Number two — based on French islands. As far as anybody in the Navy or State Departments, or consular services, or anything like that are concerned, that is not true. We have had absolutely no information. Then he goes on and says, "the presence of these submarines in the vicinity was known February 2, and a high British officer who had been there made a report on the Vichy French there," and he goes on, "told the State Department about the submarines."

Well, the State Department swears that nobody did such a thing, and I don't believe that any high British officer did it, because we have had an observer in Martinique for over a year and a half, and we have had awfully good information about everything that has happened down there. Kind of a little bit of a place, as you know. It would be mighty hard to hide any German submarine base in those islands, without everybody knowing it inside of 24 hours.

And then it goes on and talks about the Secretary of State being at Coral Gables, and of course he is. The Secretary has been really very, very ill, much more so than you fellows have printed in the papers. And I am very grateful that you haven't printed the fact that he was very ill. We think he is going to get all right in the course of the next two or three weeks. But he does have to have absolute, complete rest. There is no

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thought about his being ousted from the Cabinet, or resigning, or anything else.

The point of it is this: that that is an awfully good example of just what I was talking about last night. It is incorrect information that starts people whispering and talking on lines which are based on falsity. Now there you are. Now there is the example — it probably came out in those papers simultaneously with my talk last night. And that is the thing we have to guard against.

*Q.* Mr. President, I have a very small question. (*Laughter*) Every spring a great many high school seniors come here for a spring trip. They are writing in now to us asking whether they should or should not come to the crowded city here. Do you have any thought on that?

THE PRESIDENT: I don't think so, for publication. It's awfully hard.

*Q.* I know.

THE PRESIDENT: I would say if they can come here and have a good time, and go away without using up too much gas, and without "discombobolating" Washington, it would be all right.

*Q.* Most of them make their reservations the year before, but the hotels now would like them to give them up because they are crowded.

THE PRESIDENT: Well, I don't know whether they "discombobulate" or not. It is a thing for them and the hotels to work out.

*Q.* Mr. President, there has been some confusion about who is going to handle alien property. Can you straighten that out?

THE PRESIDENT: No. Still studying it. There won't be anything on it for a while.

*Q.* Mr. President, in connection with these stories about Secretary Hull, there have been some stories printed about changes in the Cabinet, some of which are not destructive or merely critical. Could you say if you have any plans whatever —

THE PRESIDENT: (*interposing*) Absolutely none.

*Q.* None?

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THE PRESIDENT: Are you ready for this Order?

Q. (*interposing*) Can you tell us, sir, whether there is anything new on the manpower mobilization board?

THE PRESIDENT: Nothing yet.

Q. Soon, sir?

THE PRESIDENT: I hope so.

Well, here are two Executive Orders. And this is quite important.

As you know, we started in with certain kinds of housing, six or seven years ago. And in a sense it grew up like Topsy, for the very good reason that when each new organization was started there seemed reason at the time for making it a separate organization by itself. And the result has been, over a period of years, that it has become pretty evident that we ought to have some kind of a simplification, based on the general thought that housing of human beings is a subject that is separate in itself, even though it affects all different kinds of people. The housing has to be of all kinds and of different characters, and it affects a good many different departments. And there has been recognition of the fact that it was a permanent problem, not slum clearance, but to improve conditions to keep people from losing their own homes.

That was one of the earliest things — Home Owners' Loan Corporation, to encourage building, Federal Housing Administration, et cetera. After a long study we at last got it down to the point of having a consolidation of all housing.

And the first Executive Order sets up this new organization, to be called the National Housing Agency. And I am putting in charge a young man who has been in the Government, and has shown amazing executive ability: Jack Blandford — John Blandford, Jr., the Assistant Director of the Budget.

This new organization will be able — you can get an idea of the thing; (*holding up chart*) there is the old — I have got copies of these outside — there is the old organization, you see how complicated it is. And this is the new organization —

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(holding up chart) you see how much simpler it is. Bill will have copies of those for you.

This is a consolidation for swifter and more efficient prosecution of the war, consolidating the various housing agencies in one National Housing Agency, with the single Administrator having the full power to carry out the responsibility. This plan of consolidation resulted from unusually widespread agreement among Government officials and all kinds of students of housing in the practical, private field who are actively engaged in day-by-day administration of housing activities, in and out of the Government.

Heretofore, there have been sixteen different agencies which have either built housing with public funds or sought to encourage private enterprise to build housing with private funds through the extension of Government credit or guarantees. The result has unquestionably been a lot of duplication, conflict, disputes, and overlapping among these public agencies themselves, and also between them and private building agencies.

The plan of reorganization streamlines most of these agencies, and places the housing functions of all of them into one agency with a single Administrator. Under him there will be consolidated war and other housing activities that have heretofore been carried on by Federal Housing Administration; Federal Home Loan Bank Board; Federal Savings and Loan Insurance Corporation; Home Owners' Loan Corporation; U. S. Housing Corporation; U. S. Housing Authority; Defense Homes Corporation; Non-Farm Public Housing; Farm Security Administration; Federal Works Agency; Public Buildings Administration; Division of Defense Housing and Mutual Ownership Defense Housing Division in the Federal Works Agency; and that part of the War and Navy housing function that is not on military or naval reservations. Then also the defense housing of the Farm Security Administration, and the Division of Defense Housing Coordination.

Now part of these agencies that are transferred to this Na-

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tional Housing Agency by this Order are now in Federal Works Agency, and the rest are now in the Federal Loan Agency. We are taking them out of those agencies — and we are abolishing the Federal Loan Agency altogether. So we are creating a new agency, but we are abolishing the old one.

Those things in the Federal Loan Agency which do not relate to housing are being transferred to Mr. Jesse Jones as Secretary of Commerce. He has been handling them in the past in his position as Federal Loan Administrator. Well, that title is being taken away from him, but we are turning over to him as Secretary of Commerce all the things like the R.F.C. and lots of others — a whole group of them that have hitherto been Federal Loan Agency.

*Q.* Is the R.F.C. as such abolished?

*THE PRESIDENT:* What? Oh no. Oh no. You couldn't abolish the R.F.C.! (*Laughter*) It's put under Jones as Secretary of Commerce, instead of Jones as Federal Loan Administrator, that's all.

*Q. (continuing)* Mr. President, is there a Federal Loan Agency left?

*THE PRESIDENT:* No, I said that is abolished. That has gone.

*Q. But the individual components of that Agency still remain?*

*THE PRESIDENT:* Of the R.F.C.? Oh, surely. Because they are doing the bulk of the loaning we do.

The third constituent — wait a minute now, I am getting ahead of my copy — it means that the recent Order for the conversion — for the transfer of Government workers to the war effort is going to be attained also in housing, because on this reorganization there will be quite a lot of people who will be let out, or rather who would be let out, if it were not for this transfer Order of the other day. They will be transferred to other agencies of the Government, probably defense agencies of the Government.

*Q. About how many, sir?*

*THE PRESIDENT:* That is a thing that we can't give you the figures on. But quite a lot.

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All Government employees doing work relating to war housing will be under one pool, under one supervision. The new agency for administrative convenience will have under it only three principal constituent units. That in itself is a great streamlining of the Public Housing Authority, which will be an amalgamation of all the various agencies and personnel engaged in constructing housing with public money. That is the distinctive feature of that.

[Leon] Keyserling will be the Acting Administrator of that Division. The second Division will be the Federal Housing Administration, and will continue to be known as such. In other words, the guaranteeing or insuring of mortgages placed by banks and lending institutions on homes. And Mr. [Abner] Ferguson will continue as Commissioner of that, only we are going to call him Commissioner instead of Administrator, because Administrator is the name of the top person in charge of the whole works.

The third will be the Federal Home Loan Bank Administration, and will include all the functions of the Home Loan Bank System. John Fahey will remain as Commissioner of that.

All of these three units will be under the supervision and administrative control of the National Housing Administrator. He will also thus be able to save a lot of overhead in consolidating all of the functions now scattered all over the place relating to research in housing construction, materials, methods, et cetera, and general urban development planning relating to housing and similar facilities.

The Order will not cause one day's delay. Actually it ought to begin within a very few days to speed up the production of war housing. . . .

Then there is another Executive Order by which we transfer the functions of the present Federal Loan Agency to the Department of Commerce, and abolish the Federal Loan Agency. Those functions that are transferred to the Department of Commerce are the Reconstruction Finance Corpora-

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tion; Electric Home and Farm Authority — this is all down — R.F.C. Mortgage Company; Federal National Mortgage Association; Disaster Loan Corporation; Export-Import Bank of Washington; Defense Plant Corporation; Rubber Reserve Company; Metals Reserve Company; Defense Supplies Corporation; and War Insurance Corporation.

And they all go out from under Mr. Jones, and under the control of Mr. Jones. (*Laughter*)

*Q.* Mr. President, can you say why they go to Commerce? Is it because of the personality involved? Why not —

*THE PRESIDENT:* (*interposing*) No.

*Q. (continuing)* — send them to Treasury?

*THE PRESIDENT:* No. It's because essentially I would like to see the Department of Commerce built up with things that don't — ought not to be under the Treasury; and yet I suppose the easiest answer is that the Commerce seems to be the best place to put them.

And then I have written a letter to Mr. Palmer, asking him in behalf of the new National Housing Agency — with one or two assistants — to proceed to England as my representative, and representative of the National Housing Agency to study and report on the work over there at the end of two years and a half of actual war, because as each month of war over there has gone on, they have modified and developed their various methods of dealing with housing.

I think that covers it all right. I am glad to get —

*Q. (interposing) (loudly)* Thank you, Mr. President.

*Q.* Thank you, Mr. President. (*Laughter*)

*THE PRESIDENT:* That's very good.

*NOTE:* See Item 24 and note, this volume, for an account of the establishment and functions of the National Housing Agency.

## *26. Reorganization of Army and War Department*

### **26 ¶ The President Reorganizes the Army and the War Department. Executive Order No. 9082.**

**February 28, 1942**

UNDER and by virtue of the authority vested in me by Title I of the First War Powers Act, 1941, approved December 18, 1941 (Public Law 354, 77th Congress), and as Commander in Chief of the Army and Navy and as President of the United States, it is hereby ordered as follows:

1. The Army of the United States is reorganized to provide under the Chief of Staff a ground force, under a Commanding General, Army Ground Forces; an air force, under a Commanding General, Army Air Forces; and a service of supply command, under a Commanding General, Services of Supply; and such overseas departments, task forces, base commands, defense commands, commands in theaters of operations, and other commands as the Secretary of War may find to be necessary for the national security.

2. The functions, duties, and powers of the chiefs of the following-named branches of the Army of the United States are transferred to the Commanding General, Army Ground Forces: Infantry, Cavalry, Field Artillery, and Coast Artillery Corps (except those relating to procurement, storage, and issue).

3. The functions, duties, and powers of the Commanding General, General Headquarters Air Force (Air Force Combat Command), and of the Chief of the Air Corps are transferred to the Commanding General, Army Air Forces.

4. The functions, duties, and powers of the Chief of Coast Artillery relating to procurement, storage, and issue are transferred to the Commanding General, Services of Supply.

5. Any officers holding offices the functions, duties, and powers of which are transferred by this Order shall be reassigned to suitable duties but shall continue to hold their respective offices until vacated.

6. The Secretary of War is authorized and directed to pre-

## *26. Reorganization of Army and War Department*

scribe such functions, duties, and powers of the commanders of the various forces and commands of the Army of the United States and the agencies of the War Department and to issue from time to time such detailed instructions regarding personnel, funds, records, property, routing of correspondence, and other matters as may be necessary to carry out the provisions of this Order. Such duties by the Secretary of War are to be performed subject always to the exercise by the President directly through the Chief of Staff of his functions as Commander in Chief in relation to strategy, tactics, and operations.

7. This Order shall become effective on March 9, 1942, and shall remain in force during the continuance of the present war and for six months after the termination thereof.

**NOTE:** The foregoing Executive Order established the three major commands under the Secretary of War and the Chief of Staff: The Army Ground Forces, the Army Air Forces, and the Services of Supply (later called the Army Service Forces). Following the issuance of the Executive Order, the General Staff was reorganized on more compact lines and to it were given broad planning responsibilities.

During the period preceding 1942, the number of Army units had mushroomed on an *ad hoc* basis; many of them reported directly to the Chief of Staff. By early 1942, there were about 40 major and 350 minor commands under the Chief of Staff's direct supervision. These included not only the chiefs of the various combat and service arms in Washington — for example, infantry, field artillery, ordnance, engineers, surgeon general — but also the defense com-

mands, corps areas, ports of embarkation, U. S. Military Academy, and many other agencies out in the field. This, of course, was an intolerable burden on the Chief of Staff; it also overwhelmed the War Department General Staff with many administrative details.

By the creation of the three major commands and by confining the functions of the General Staff to planning, the Chief of Staff and his associates were left free to map out the grand strategy of overseas operations. The reorganization also permitted the Chief of Staff to devote additional time to the vital work of the Combined Chiefs of Staff and the Joint Chiefs of Staff.

A major accomplishment of the reorganization was to integrate the several supply services into a single service, and to eliminate the duplication in that field which had existed between the work of the General Staff, the supply services, and

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the Office of the Under Secretary of War.

The establishment of the Army Air Forces centralized to a greater degree than ever before the responsibility for developing aircraft and creating what was to become the most powerful air force in the world. The new organization established a central command for procurement of air supplies, training of plane crews, and mapping out of overseas air strategy.

The establishment of the Army Ground Forces similarly centralized responsibility for the tactical training of ground units for combat. Prior to the reorganization, there had been divided responsibility for training ground troops, with considerable responsibility vested in the chiefs of infantry, field artillery, coast artillery, and cavalry for their own respective troops.

As America's major striking force was developed on training grounds in this country and transferred to areas of combat operations, many overseas commands were created. These included, among others, the European Theater of Operations, the Southwest Pacific Command (later developing into a single command for the entire Pacific with the exception of China, Burma, and India), the Mediterranean Theater of Operations, and other commands in the Pacific, Caribbean, South America, the Middle East, and the

Persian Gulf. Wide powers and responsibilities were delegated to these overseas commands to enable them to act with maximum speed in the formulation and execution of military plans.

This decentralization of authority was a direct development of the foregoing Executive Order, which gave new freedom in time and energy to the top staff of the War Department for basic strategic considerations.

As the war progressed, additional divisions of the War Department General Staff became necessary. Yet, even with these new divisions and activities, the volume of administrative work was less than it had been before the reorganization.

The new divisions included the Budget Division; the Civil Affairs Division, to direct and control the operations of military government, which had theretofore been under the Provost Marshal General; the Special Planning Division, to plan for shifts in the Army's composition and size following V-E Day and to plan for post-V-J Day demobilization; the New Developments Division, for the direction of research activities and the introduction of new weapons to overseas combat forces; and the War Department Manpower Board, to provide for better utilization of manpower both in this country and overseas.

*27. Ninth Anniversary of New Deal Farm Program*

**27 ¶ Address on the Ninth Anniversary of the  
New Deal Farm Program. March 9, 1942**

I WANT to say a word tonight to the farm families of America, and also to the families that consume farm products of every kind. That means everybody — everywhere.

No one can think back over the last nine years without coming to the conclusion that the most significant single fact in recent American history is the ability of the American people to face a tough situation and to take orderly and united action in their own behalf and in behalf of the things in which they believe.

There has been a considerable amount of discussion lately about the alleged complacency of the American people. Newspaper editors and commentators have been telling us that the American people are complacent — that they are apathetic.

I think I know the American people pretty well. A lot of them write to me. A lot of them send me messages of one sort or another. They talk to me pretty frankly. If there is one single thing of which I am certain, it is that the American people are not now, and have not been, complacent. On the contrary, they are keenly aware of the situation in which they find themselves, and they are wholeheartedly and entirely committed to action, nearly all of them. Now, as a decade ago, they are facing up to the job they have to do, and they propose to see to it that the job is done.

Americans are preparing with all possible speed to take their places on the actual battle fronts, and some are there now. Workers in the mills and mines are laboring long hours, under great pressure, to turn out the weapons and equipment without which the war cannot be won. Men and women in thousands of communities are giving their time and energy in the work of civilian defense. And out in the country, farmers are straining every effort to produce the food which, like the tanks and the planes, is absolutely indispensable to victory.

The members of each of these various groups know the extent

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to which they themselves are responding. But they do not always know what is being done by the others. And that gives an opportunity to the enemy to get in some deadly blows. That gives an opportunity to the enemy to spread malicious words. Labor, says the evil whisper, is sabotaging the war program with strikes and slowdowns and demands for higher wages. Business, it says, is gouging the country with unconscionable profits. And the farmer, according to this treacherous voice, is using the war to grab all he can.

Now it happens that, as a result of the war program, the incomes of all three groups on the average are substantially increased. Of course there are instances where a few businessmen or a few workers, or a few farmers, are demanding and getting more than they ought. But, in general, the increase to the different groups has been kept fairly well in balance, and there has been only a moderate rise in the cost of living in city and in country up to now.

It seems to me that we ought to feel proud of the undoubted fact that we are getting cooperation and a reasonably fair balance among 90 percent of our population and that if less than 10 percent of the population is chiseling we still have a pretty good average national record.

But if all prices keep going up, we shall have inflation of a very dangerous kind — we shall have such a steep rise in prices and in the cost of living that the entire Nation will be hurt. That would greatly increase the cost of the war and the national debt. It would hamper the drive for victory. It would inevitably plunge everyone — city workers and farmers alike — into ruinous deflation later on.

I wish somebody could invent a better word than "inflation." What we really mean is that even though we may not realize it at the moment, it is not a good thing for the country to upset all the old standards if the cost of living goes up through the roof and wages go up through the roof, and farm prices go up through the roof. Actually, in such a case we are no better off than we were before as individuals or heads of families, and it comes

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pretty close to being true that that which goes up has to come down.

This fight against inflation is not fought with bullets or with bombs, but it is equally vital. It calls for cooperation and restraint and sacrifice on the part of every group. It calls for mutual good will and a willingness to believe in the other fellow's good faith. It calls for unflagging vigilance and effective action by the Government to prevent profiteering and unfair returns, alike for services and for goods.

And so, on this ninth anniversary of the founding of the National Farm Program, we can all rededicate ourselves to the spirit with which this common effort by the farmers came to birth. Never before in our history has there been as much need for unstinting service to the country. Hard, trying, difficult days are ahead. How hard and how bitter they will be depends on how well we can keep our eyes, our thoughts, and our efforts directed toward the only thing that matters now for every one of us in the United Nations — winning the war.

*NOTE:* For other addresses delivered in 1940 and 1941 on the anniversary of the New Deal farm program, see Item 18, pp. 95-100, 1940 volume, and Item 12, 1941 volume.

## **28 ¶ The President Announces the Establishment of the Anglo-American Caribbean Commission. March 9, 1942**

FOR the purpose of encouraging and strengthening social and economic cooperation between the United States of America and its possessions and bases in the area known geographically and politically as the Caribbean, and the United Kingdom and the British colonies in the same area, and to avoid unnecessary duplication of research in these fields, a Commission, to be known as the Anglo-American Caribbean Commission, has been jointly created by the two Governments. The Commission will consist

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of six members; three from each country, to be appointed respectively by the President of the United States and His Majesty's Government in the United Kingdom — who will designate one member from each country as Co-Chairman.

Members of the Commission will concern themselves primarily with matters pertaining to labor, agriculture, housing, health, education, social welfare, finance, economics, and related subjects in the territories under the British and United States flags within this territory, and on these matters will advise their respective Governments.

The Anglo-American Caribbean Commission in its studies and in the formulation of its recommendations will necessarily bear in mind the desirability of close cooperation in social and economic matters between all regions adjacent to the Caribbean.

**NOTE:** Great Britain and the United States for many years have had common interests in the Caribbean area. Prior to 1942 the two Nations had taken independent steps to solve the social and economic problems of these overpopulated and underfed regions. The exchange of fifty over-age United States destroyers for military and naval bases concluded with the British in September, 1940 (see Items 90, 91 and notes, pp. 375-407, 1940 volume), emphasized more heavily than ever before the desirability of cooperation between the two Nations to develop the Caribbean area.

Immediately upon our acquisition of these new bases in the Caribbean, the President appointed a Commission to survey the social and economic problems of the area. This Commission made a broad study in the region, and reported

to the President on January 7, 1941, recommending a unified approach in solving the immediate emergency and longer-range problems which confronted the area.

At the time that the Anglo-American Caribbean Commission was created, U-boats were raiding the area and to a considerable extent were cutting off the shipments of petroleum and bauxite from British Guiana, Trinidad, Venezuela, and the Dutch West Indies and threatening the food supply of the entire Caribbean. The Commission promptly took several emergency steps. These included the storing of emergency food supplies at strategic points; the organization of the West Indies Schooner Pool to control all sailing vessels centrally for inter-island trade; and measures to stimulate additional local food production and provide aid for the local fishery industry.

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The Commission was organized into British and United States sections, which worked in close affiliation with their respective Governments. The United States section subsequently became part of the State Department and worked in cooperation with the Department of the Interior. To provide technical and scientific advice for the Commission, the Caribbean Research Council was created as an advisory body to assist in the promotion of scientific, technological, social, and economic matters. A series of West Indian conferences were held periodically in order to provide for the interchange of opinion and democratic representation of the territories and colonies in the area.

The President stressed that the work of the Commission was advisory in nature, and he made it clear that the United States did not seek sovereignty over the islands or colonies on which the military bases were located. The expenditures necessary for the economic, social, and welfare developments

recommended by the Commission were paid by the Governments of Great Britain and the United States.

During the war, unemployment problems in the area were alleviated considerably by the use of native workers in the construction of the United States Army and Navy bases. Many agricultural workers were also brought to the United States for the cultivation and harvest of seasonal agricultural crops.

In addition to the emergency and war programs of the Commission, the consideration of a number of basic long-range problems was undertaken. Programs were outlined in order to conserve natural resources; to develop more efficient agricultural methods; to control venereal disease and otherwise improve the health of the peoples of the area; to stimulate the tourist industry; to improve housing and educational facilities; and by many other measures to promote community cooperation and raise the general standard of living in the region.

## 29 ¶ The Eight Hundred and Tenth Press Conference (Excerpts). March 10, 1942

(*Model of Mayflower — Recreational activities — Vacations — Black-out of Federal buildings — Navy Department organization.*)

THE PRESIDENT: I have been given a very delightful thing that is very nice at this time. A little model of the *Mayflower*, made out of a piece of the *Mayflower*.

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A number of years ago, some antiquarians discovered that there was an old barn in England that had been built out of timbers which were sufficiently identified to make it seem almost certain that they were made out of the original timbers of the *Mayflower* when she was broken up. Sent over by Mr. Brendan Bracken, who was Mr. Churchill's secretary, and is now the head of the Ministry of Information in London, and sent over by Gil Winant, who gave it to me yesterday. The piece of wood that it is made out of was furnished by the Society of Friends, who now own the barn. . . .

I have a statement, which was worked out by Steve [Early]. He is the author. You will recognize his English — (*laughter*) I said English. (*More laughter*)

(Reading): "Many people have written to the Executive Office asking for some statement of the general attitude of the Federal Government toward the continuation of various sports, dramatics, concerts, vacations and general recreation and amusement during the war effort. Most of these letters point out that the writers are anxious to do their utmost to help in the prosecution of the war and wonder whether such activities are considered to be harmful to the prosecution of the war.

"It is, of course, obvious that the war effort is the primary task of everybody in the Nation. All other activities must be considered secondary. At the same time it has been proven beyond much doubt that human beings cannot sustain continued and prolonged work very long, without obtaining a proper balance between work on the one hand and vacation and recreation on the other. Such recreation may come by participation in, or attendance at, various sports, motion pictures, music, the drama, picnics, et cetera. All of them have a necessary and beneficial part in promoting an over-all efficiency by relieving the strains of war and work.

"The actual occurrence of very large gatherings, of course, must depend on local safety conditions of the moment.

"Within reasonable limits, I believe the war effort will not be hampered but actually improved by sensible participation in healthy recreational pursuits. It must be borne in mind, however, that 'recreation as usual' is just as bad as 'business as usual.' Recreation under present conditions can be undertaken solely for the purpose of building up body and mind and with the chief thought that this will help win the war."

And of course I can't down here — nobody down here — it ought not to be done here — can make final determination in

## *29. Eight Hundred and Tenth Press Conference*

some specific case. They have got to do the best they can. We are not going to set up a bureau in Washington, to tell the people in Poughkeepsie as to whether they ought to have local horse races or not. (*Laughter*)

*Q.* Mr. President, can you say whether you plan to ask the more essential industries to forego vacations this year?

**THE PRESIDENT:** You can't lay down a general rule for everybody.

I can say that if people get very tired they should do what a lot of persons do, and that is take a few days off, but only if they feel they need it. If they think it is going to make them more efficient and turn out more in the way of munitions by taking a few days off, it would be common sense to go ahead and do it.

*Q.* So long as the industry itself doesn't slow down?

**THE PRESIDENT:** Yes. And of course what we always forget is that things of that kind slow down industry so much less than illness slows down industry. The percentage of people who are out because of illness, in any given plant almost, is much higher than people realize.

Then we have all got a question here in Washington how we are going to black out Federal buildings in case of air raid. So the Director of Civilian Defense wrote a letter, for me to send to Federal Works Agency, which is in charge of public buildings. It reads as follows:

(*Reading*): "Such preparation shall be made as will completely obscure all Federal buildings and non-Federal buildings occupied by the Federal Government during an air raid for any period of time from visibility by reason of internal or external illumination. Such —"

I don't know — this is not my word —

"Such obscuration is —" (*loud laughter*)

Sounds almost like some people's I see before me —

(*Continuing reading*): "Such obscuration may be obtained either by blackout construction or by terminating the illumination." (*Laughter*)

*Q.* Sounds like —

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Q. (*interposing*) Does that mean turning off the lights? (*More laughter*)

Q. That isn't the one you said Steve [Early] wrote, is it?

THE PRESIDENT: No. Steve did not write that. The Dean of the Harvard Law School [James M. Landis, Director of the Office of Civilian Defense] wrote this. (*More laughter*)

(*Continuing reading*): "This will of course require that in building areas in which production must continue during a blackout, construction must be provided that internal illumination may continue."

I have known lots of people that have had internal illumination. (*Loud laughter*)

Q. (*interjecting*) Just for a holiday though?

THE PRESIDENT:

(*Continuing reading*): "Other areas, whether or not occupied by personnel, may be obscured by terminating the illumination.

"The Administrator of the Federal Works Agency is hereby authorized to effect this policy in all Federal buildings and non-Federal buildings occupied by the Federal Government, both in Washington and throughout the country."

Steve?

MR. EARLY: Yes, sir?

THE PRESIDENT: Rewrite that for me, will you? (*Laughter*) Tell them the buildings will have to keep their work going — put something across the windows. In buildings that can afford it, so that work can be stopped for a while, turn out the lights and stop there.

I don't think I have got anything else. . . .

Q. Mr. President, will you comment on the reorganization announced by the Navy Department last night?

THE PRESIDENT: It is toward simplification. The old Navy method of a Chief of Operations goes back to about 1916, when it superseded what was called the Aide System. As time went on, from the end of the postwar period down to a few years ago, this Chief of Operations — of course the title was chosen because he was supposed to be the person who was in charge of the movement of ships. And that worked pretty well dur-

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ing the World War. It was rather a much simpler matter than it is today, on the question of moving ships.

And the difficulty has been that since the World War the matériel situation has become, especially in the last two years, of such very great importance that additional duties have been saddled on the Chief of Operations.

And it has been very difficult to draw the line between Operations in the sense of movement of ships and Operations in the sense of getting the ships ready to move, or supplying them at some distant place. So it seems better to merge the movement of ships, which was put under Admiral King a few months ago — merge it with the general duties of Operations, and give to the one person several subdivisions under him, that would handle the different component parts of putting ships to a task, and at the same time providing them with the necessary things to keep them going in any part of the world.

Well, it is a thing that we have been, I suppose, working toward for the last six or eight years. And it seems a logical thing to do. Also centralizes responsibility — could be called somewhat akin to the recent so-called “streamlining” of the War Department. . . .

*NOTE:* See Item 32 and note, this volume, for the Executive Order reorganizing the Navy Department, and further discussion of the back-ground and results of this Order to which the President referred in the foregoing press conference.

## 30 ¶ Establishment of the Office of Alien Property Custodian. Executive Order No. 9095. March 11, 1942

BY VIRTUE of the authority vested in me by the Constitution, by the Trading with the Enemy Act of October 6, 1917, as amended, by the First War Powers Act, 1941, and as President of the United States, it is hereby ordered as follows:

*30. Office of Alien Property Custodian*

1. There is hereby established in the Office for Emergency Management of the Executive Office of the President the Office of Alien Property Custodian, at the head of which shall be an Alien Property Custodian appointed by the President. The Alien Property Custodian shall receive compensation at such rate as the President shall approve and in addition shall be entitled to actual and necessary transportation, subsistence, and other expenses incidental to the performance of his duties. Within the limitation of such funds as may be made available for that purpose, the Alien Property Custodian may appoint assistants and other personnel and delegate to them such functions as he may deem necessary to carry out the provisions of this Order.

2. All power and authority conferred on the President by Sections 3(a) and 5(b) of the Trading with the Enemy Act of October 6, 1917, as amended, and by Sections 301 and 302 of Title III of the First War Powers Act, 1941, approved December 18, 1941, except such powers and authority as were delegated to the Secretary of the Treasury by Executive Orders issued prior to February 12, 1942, and to the Board of Governors of the Federal Reserve System by Executive Order No. 8843 of August 9, 1941 (which powers and authority shall continue to be vested in and exercised by the Secretary of the Treasury and the Board of Governors respectively), are hereby delegated to and vested in the Alien Property Custodian. The memorandum of February 12, 1942, delegating to the Secretary of the Treasury certain powers and authority under said sections, is hereby revoked and canceled. Any and all action heretofore taken by the Board of Governors of the Federal Reserve System after February 11, 1942, in pursuance of Executive Order No. 8843 of August 9, 1941, is hereby confirmed and ratified. In the exercise of the authority herein delegated, the Alien Property Custodian shall be subject to the provisions of Executive Order No. 8839 of July 30, 1941, and shall designate a representative to the Board of Economic Warfare in accordance with Section 6 thereof.

3. Any property, or interest therein, of any foreign country or a national thereof shall vest in the Alien Property Custodian

### *30. Office of Alien Property Custodian*

whenever the Alien Property Custodian shall so direct; and, in the case of any property, or interest therein, subject to the control of the Secretary of the Treasury, when the Alien Property Custodian shall notify the Secretary of the Treasury in writing that he has so directed, the Secretary of the Treasury shall release all control of any such property, or interest therein, to the Alien Property Custodian.

4. Any outstanding order, proclamation, regulation, ruling, license, or instruction issued pursuant to, or relating to the administration of, any power or authority vested in the Alien Property Custodian by this Order shall remain in effect unless and until amended or revoked by the Alien Property Custodian.

**NOTE:** Before Pearl Harbor, a series of Executive Orders empowered the Secretary of the Treasury to freeze American assets of belligerent countries. (See Item 27-A and note, 1940 volume, for a discussion of the background of these freezing orders and a list of the countries to which they were applied before America entered the war.)

The purposes of the freezing orders were to prevent the use of these assets by the Axis, and to protect the assets of nationals in friendly occupied countries. Although these orders enabled the Treasury Department to prohibit almost any transaction involving foreign property, the freezing of assets could not compel the affirmative use of such property in the best interests of the United States. After America entered the war, this important power was added, and assets in the United States belonging to enemy nationals were thereafter used for the benefit of the United States.

At the time the foregoing Executive Order was issued, there were still remnants of alien property which had been seized in the first World War and which were being administered by the Alien Property Division of the Department of Justice. Since April, 1940, the Foreign Funds Control Unit of the Treasury Department had been administering the freezing orders.

The President could, of course, have assigned expanded alien property control functions to either of these agencies. Instead, however, he decided to establish a new and independent Office of Alien Property Custodian.

The function of the Alien Property Custodian was to take over all productive enemy assets in the United States and its territories and affirmatively to use these assets to the fullest possible extent in the prosecution of the war. By the middle of 1943, the Office had practically completed the job of seizing

### *30. Office of Alien Property Custodian*

these facilities and property. Thereafter, it was mainly concerned with means of using the seized property to further the war effort.

In April, 1942, the President directed that the Custodian seize all enemy-controlled patents and make them available to American industry. Information about these seized patents was distributed widely by means of catalogues of such patents in the chemical, electrical, and mechanical fields. A liberal licensing policy was adopted which allowed thousands of industrial concerns to utilize foreign inventions at a nominal cost for the prosecution of the war. In addition, these patents made possible the development of important strategic materials.

In the four and a half years of its operation, the Alien Property Custodian controlled property valued at \$500,000,000, in addition to more than 46,000 patents and inventions and almost 500,000 copyrights and other valuable interests. The Office seized enemy-owned interests in 414 business enterprises, of which approximately 100 were continued in operation under management approved by the Custodian. These enterprises produced \$600,000,000 worth of such vital war products as chemicals, dyestuffs, photographic equipment, plastics, airplane parts, and scientific instruments.

The Custodian also controlled 425 trade-marks, 29 ships, about 1,500 mortgages and real-estate parcels valued at \$5,860,000, stocks, bonds, bank balances, notes, cur-

rency, claims, credits, life-insurance policies and other personal property amounting to \$22,590,000, and interests in estates and trusts valued at \$50,520,000 at the time of seizure.

Soon after the Alien Property Custodian began operations, uncertainties arose concerning the respective jurisdictions between the Office and the Treasury Department. A more explicit allocation of functions was needed. In addition, it became desirable for the Custodian to seize additional assets which were subject to Treasury freezing powers but which were necessary to the successful operation of a seized enterprise already under the Custodian's control.

Frequent negotiations between Treasury and Alien Property Custodian representatives were necessary to determine which of the two agencies had jurisdiction in certain specific cases. The President recognized that divided responsibility would lead to continuing controversy. This is one of the many instances in which he asked me to confer with conflicting agencies and try to get them to agree on limits of jurisdiction. I had many conferences with representatives of the Treasury and of the Alien Property Custodian and agreement was reached on a formula which was approved by the President. The formula was that the Alien Property Custodian have responsibility for enemy property which required active administration as distinguished from property which could

### *31. Report on First Year of Lend-Lease*

be administered by the passive freezing regulations exercised by the Secretary of the Treasury. This formula was embodied in Executive Order No. 9193, issued July 6, 1942.

In broad terms, the amendatory Executive Order continued the Treasury Department's control over potential enemy purchasing power in the form of bullion, cash, bank deposits, and securities. The Custodian was given control over patents, copyrights, trade-marks, foreign ships, business enterprises, certain property involved in judicial and administrative proceed-

ings, and other property needed for administering seized enterprises.

On completing its major administrative tasks, the Office of Alien Property Custodian was terminated on October 14, 1946, by Executive Order No. 9788, and its property and personnel were transferred to the Department of Justice. At that time, a number of substantial business enterprises and assets still remained; and the Department of Justice continued to administer them. In addition, of course, the Department of Justice continued to handle the many legal problems arising out of the seizure and administration of alien property.

## **31 ¶ The President Transmits to the Congress a Report on the First Year of Lend-Lease Operations. March 11, 1942**

*The President of the Senate,  
The Speaker of the House of Representatives:*

I AM TRANSMITTING herewith to the Congress a report on the first year of lend-lease operations.

One year ago, in passing the Lend-Lease Act, the American people dedicated their material resources to the defeat of the Axis. We knew then that to strengthen those who were fighting the Axis was to strengthen the United States. We recognized then the lesson that has since been hammered home to us by Axis treachery and Axis arms — that the rulers of Germany and Japan would never stop until they were thrown from power or America was forced to its knees.

Now that we have had to dedicate our manpower as well as

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our material resources to the defeat of the Axis, the American people know the wisdom of the step they took one year ago today. Had not the Nations fighting aggression been strengthened and sustained — their armed forces with weapons, their factories with materials, their people with food — our presently grave position might indeed be desperate. But for the continued resistance of these steadfast peoples, the full force of the enemy might now be battering at our own ports and gateways.

Lend-lease has given us experience with which to fight the aggressor. Lend-lease has expanded our productive capacity for the building of guns and tanks and planes and ships. The weapons we made and shipped have been tested in actual combat on a dozen battlefields, teaching lessons of untold value.

Lend-lease is now a prime mechanism through which the United Nations are pooling their entire resources. Under the Lend-Lease Act, we send our arms and materials to the places where they can best be used in the battle against the Axis. Through reciprocal lend-lease provisions we receive arms and materials from the other United Nations when they can best be used by us.

The war can only be won by contact with the enemies, and by attack upon them. That takes time, for the United Nations need more and still more equipment and transportation. Success will come dearly, at the price of defeats and losses. The offensive that the United Nations must and will drive into the heart of the Axis will take the entire strength that we possess.

For that combined strength we can thank the decision we took a year ago today. With that combined strength we go forward along the steep road to victory.

**NOTE:** For additional references to lend-lease, see Item 145, pp. 606-615, Item 152 and note, pp. 668-678, and Item 157, p. 710, 1940 volume; Items 15, 17, 28, 37, 52, 76, 82, 96, 103, 111, 123, and notes, 1941 volume; Items 30, 98, 119, and 124, 1943 volume; and Item 31, 1944-1945 volume.

*32. Reorganization of the Navy Department*

**32 ¶ Reorganization of the Navy Department  
and the Naval Service. Executive Order No.  
9096. March 12, 1942**

By VIRTUE of the authority vested in me by Title I of the First War Powers Act, 1941, approved December 18, 1941 (Public Law 354, 77th Congress), and other applicable statutes, and as Commander in Chief of the Army and Navy and as President of the United States, it is hereby ordered as follows:

1. The duties of the Commander in Chief, United States Fleet, and the duties of the Chief of Naval Operations, may be combined and devolve upon one officer who shall have the title "Commander in Chief, United States Fleet, and Chief of Naval Operations," and who shall be the principal naval adviser to the President on the conduct of the war, and the principal naval adviser and executive to the Secretary of the Navy on the conduct of the activities of the naval establishment. While so serving he shall have the rank and title of Admiral and shall receive the pay and allowances provided by law for an officer serving in the grade of Admiral.

2. As Commander in Chief, United States Fleet, the officer holding the combined offices as herein provided shall have supreme command of the operating forces comprising the several fleets, seagoing forces, and sea frontier forces of the United States Navy and shall be directly responsible, under the general direction of the Secretary of the Navy, to the President therefor.

3. The Staff of the Commander in Chief, United States Fleet, shall be composed of—

(a) A Chief of Staff, who shall while so serving have the rank, pay, and allowances of a Vice Admiral, and who, in the temporary absence or incapacity of the "Commander in Chief, United States Fleet, and Chief of Naval Operations," shall act as Commander in Chief, United States Fleet;

(b) Such deputy and assistant Chiefs of Staff as may be necessary; and

### *32. Reorganization of the Navy Department*

(c) Such other officers as may be appropriate and necessary to enable the "Commander in Chief, United States Fleet, and Chief of Naval Operations" to perform as Commander in Chief, United States Fleet, the duties prescribed in Executive Order No. 8984 of December 18, 1941.

4. As Chief of Naval Operations, the officer holding the combined offices as herein provided shall be charged, under the direction of the Secretary of the Navy, with the preparation, readiness, and logistic support of the operating forces comprising the several fleets, seagoing forces, and sea frontier forces of the United States Navy, and with the coordination and direction of effort to this end of the bureaus and offices of the Navy Department except such offices (other than bureaus) as the Secretary of the Navy may specifically exempt. Duties as Chief of Naval Operations shall be contributory to the discharge of the paramount duties of Commander in Chief, United States Fleet.

5. The staff of the Chief of Naval Operations shall be composed of —

(a) A Vice Chief of Naval Operations, who shall while so serving have the rank, pay, and allowances of a Vice Admiral. The Vice Chief of Naval Operations shall have all necessary authority for executing the plans and policies of the "Commander in Chief, United States Fleet, and Chief of Naval Operations" so far as pertains to the duties herein prescribed for the Chief of Naval Operations. In the temporary absence or incapacity of the "Commander in Chief, United States Fleet, and Chief of Naval Operations," he shall act as Chief of Naval Operations.

(b) An Assistant to the Chief of Naval Operations with the title of Sub Chief of Naval Operations, who shall have the rank of Rear Admiral and while so serving shall receive the pay and allowances of a Rear Admiral, upper half, and such additional assistant Chiefs of Naval Operations as may be required; and

(c) Such other officers as may be considered to be appropriate and necessary for the performance of the duties at present prescribed for the Chief of Naval Operations.

### *32. Reorganization of the Navy Department*

6. During the temporary absence of the Secretary of the Navy, the Under Secretary of the Navy, and the Assistant Secretaries of the Navy, the "Commander in Chief, United States Fleet, and Chief of Naval Operations" shall be next in succession to act as Secretary of the Navy. In the temporary absence of all of these officers the Vice Chief of Naval Operations and the Chief of Staff, United States Fleet, respectively, shall be next in succession to act as Secretary of the Navy.

*NOTE:* Historically, the Department of the Navy had been organized on the famous "bureau" basis. It consisted of bureaus, created by statutes — the Bureaus of Naval Personnel, of Ships, of Ordnance, of Aeronautics, of Supplies and Accounts, of Yards and Docks, and of Medicine and Surgery. Each was headed by a Bureau Chief. There were also a few "offices" — such as that of the Director of Naval Intelligence and of the Judge Advocate General — which performed specialized functions on an over-all departmental basis. The jurisdiction of each bureau was jealously guarded by its head. But the jurisdictional lines were not well enough defined to prevent considerable overlapping, and at the same time there was a tendency toward lack of coordination and lack of unified responsibility.

The departmental organization concerned with the operating forces presented many of the same difficulties as the bureau organization. Prior to the issuance of the foregoing Order, the Chief of Naval Operations, whose office had been established in 1915, had been

charged with the responsibility for the operations of the fleet and for the preparation of plans for its use in war. His duties included direction of all strategic and tactical matters, organization of the fleet, maneuvers, gunnery exercises, drills, and the training of the fleet for war, all under the general supervision of the Secretary of the Navy. The Chief of Naval Operations had no actual control or direction of the bureaus and offices of the Navy Department. He merely kept them informed, consulted with them, had their advice and assistance, and utilized their facilities.

In addition to the Chief of Naval Operations, the major operational officer of the Department was the "CominCh" — the Commander in Chief, United States Fleet. At the time of Pearl Harbor, the CominCh was also Commander in Chief, United States Pacific Fleet. At that time, there were three fleets — the Pacific, the Atlantic, and the Asiatic — each with its own Commander in Chief.

The President, very shortly after America's entry into the war, took steps to establish a more unified

### *32. Reorganization of the Navy Department*

central naval command. On December 18, 1941, he issued Executive Order No. 8984, which provided, in part, that "the Commander in Chief, United States Fleet, shall have supreme command of the operating forces comprising the several fleets of the United States Navy and the operating forces of the naval coastal frontier commands, and shall be directly responsible, under the general direction of the Secretary of the Navy, to the President of the United States therefor. . . ." This earlier Order established the Commander in Chief, United States Fleet, as separate from the other fleet Commanders in Chief, so that he might effectively control and distribute our naval power on all oceans. The CominCh was made directly responsible to the President for his broad command, with headquarters in Washington, D. C.

With the entry of the United States into the war, the military direction of the Navy expanded overnight to include the conduct of operations in widely separated areas of the Pacific, the anti-submarine campaign in the Atlantic, and the supervision of measures to defend the shores of the United States. To build the fleet and provide for its logistic support became more difficult in the face of shortages of critical materials and the

competition for production, facilities, and trained personnel. In these circumstances, the framework of the Office of the Chief of Naval Operations as it had existed in the period between the wars was not strong enough to bear its increased responsibilities, nor was there a clearly defined relationship between the C.N.O. and CominCh.

The foregoing Executive Order provided a solution to some of these organizational problems. The Secretary of the Navy and the "Commander in Chief, United States Fleet, and Chief of Naval Operations" as the civilian and military heads, respectively, were accorded centralized control over the entire naval establishment, under direction of the President. The foregoing Executive Order provided a framework for a reorganization which achieved the desired objectives. After its issuance, the bureaus were brought into closer interrelationship largely through the device, extensively employed by Secretary Frank Knox, and his successor, Secretary James Forrestal, of establishing "offices" directly under the Secretary, which served all the bureaus. This centralization of authority was particularly useful in connection with the functions of procurement vested in a newly created Office of Procurement and Matériel.

### 33 ¶ The President Stresses the Need for Allied Unity in Letter to the Economic Club of New York. March 12, 1942

MAY I greet through you the members and guests of the Economic Club of New York who are gathering to hear the distinguished representatives of United Nations bound in the pledge of victory and justice over the evil forces that seek to dominate the world.

Never in history have so many people been united in a more exalted purpose. The struggle is being fought between those in arms against treachery and aggression, and the monstrous hordes regimented to enslave the world. Allied with United Nations and fighting with all the resources of the human spirit are millions of men and women now caught in the vise of tyranny. Courageously they await the day when they, too, can help to create the better world on a new charter of freedom and liberty for all.

We are united against those who willfully and deliberately, and with every weapon of force, propaganda, and terror, are aiming to destroy man's right "to think as he will and to say what he thinks." We are united to maintain man's religious heritage against those who would destroy the great spiritual resources of resistance to injustice. We are united against those who would enslave humanity by substituting terror for law, treachery for statecraft, and force for justice. We are united against the tyranny that has created untold want, privation, and suffering in a large part of the world.

These are the pledges inherent in the four freedoms which are the essence of the Atlantic Charter: Freedom of speech, freedom of religion, freedom from fear, and freedom from want.

To attain and maintain this charter of liberty the supreme strategy of victory must be for the United Nations to remain united — united in purpose, united in sympathy, and united

### *34. Reduction of Speed Limits to Save Rubber*

in determination. The supreme achievement of enemy propaganda would be to create disunity. Those who cry for divided efforts in an indivisible war, those who are blind to the fact that security at home may be menaced by disaster abroad, those who encourage divided counsels in this crisis, those who viciously or stupidly lend themselves to the repetition of distortion and untruth, are serving as obliging messengers of Axis propaganda.

Such efforts, you and I know, will break into mere foam against our rock-bound resolution and the rising tide of production and manpower by which we shall overwhelm the enemies of freedom and democracy.

Very sincerely yours,

David Sarnoff, Esq.,  
New York,  
N. Y.

### **34 ¶ The President Appeals to the State Governors to Conserve Rubber by Reducing Speed Limits. March 14, 1942**

As you know, we are doing everything possible to conserve rubber. The situation in the Far East makes this very necessary for the successful prosecution of the war effort.

It has been said that a large part of our rubber stockpile is on the wheels of the more than 30,000,000 motor vehicles of the country. If this stockpile is conserved by the individual motorists, as we are endeavoring to conserve the national stockpile, tires will last much longer, cars will run much farther, and civilian life will be less disturbed because of lack of sufficient transportation facilities.

Rubber experts agree that fast driving wastes rubber and that tires run many more miles when driven at limited rates of speed. May I suggest that this waste could be curtailed to the advantage

### *34. Reduction of Speed Limits to Save Rubber*

of the individual motorist, and likewise to the advantage of the country, if the speed of all motor vehicles were limited to a maximum of forty miles per hour and if regulations were promulgated requiring frequent checking of tires in order to insure their repair or, where possible, retreading at the proper time. I would greatly appreciate your cooperation in an effort to achieve these objectives throughout the country.

The tire rationing program, so recently established by the Office of Price Administration, has been a marked success and has met with ready acceptance throughout the United States, largely because of the enthusiastic cooperation and participation on the part of the Governors and their State defense councils. Reduction of speed limits and regular inspection of tires constitute another important means of Federal-State cooperation in the war effort.

Very sincerely yours,

*NOTE:* The plan outlined by the President in the foregoing letter to the Governors of the several States was only one facet of a broad program to offset the critical rubber shortage created by the Japanese capture of the world's principal rubber-producing areas. In order to insure an adequate supply of rubber for essential military and civilian purposes, the program provided for rigorous conservation of the rubber which we had, the collection of scrap for processing into reclaimed rubber, and the development of new sources of synthetic and crude rubber. (For other aspects of the rubber program see Items 66, 79, 94, 129 and notes, this volume.)

The Nation's largest supply of rubber after Pearl Harbor was on

the wheels of its 30,000,000 motor vehicles. This was estimated at more than 1,000,000 tons. It was, therefore, of critical importance that this rubber be conserved until tire replacements could be assured. If any substantial number of automobiles had been taken off the roads for lack of tires, transportation of workers to war plants would have broken down. Also many services essential to the health and safety of local communities which were dependent upon rubber-borne transportation would have been endangered.

The first measure adopted in the conservation program, effective January 5, 1942, was the rationing of tires by the Office of Price Administration to the most essential users (see Item 26 and note, and refer-

### *35. Gen. MacArthur's Departure from Philippines*

ences cited therein, 1941 volume, for an account of the work of the Office of Price Administration). The above letter to the Governors served to emphasize a program already set in motion by the Office of Defense Transportation: to conserve rubber by urging slower driving speed, group riding, and staggered working hours for industry (see Item 137 and note, and references cited

therein, 1941 volume, for an account of the work of the Office of Defense Transportation). These efforts as well as intensive public information campaigns failed, however, to produce the desired results, and additional and more comprehensive conservation measures had to be adopted (see Item 79 and note, this volume).

## 35 ¶ White House Statement on General MacArthur's Departure from the Philippines.

March 17, 1942

I KNOW that every man and woman in the United States admires with me General MacArthur's determination to fight to the finish with his men in the Philippines. But I also know that every man and woman is in agreement that all important decisions must be made with a view toward the successful termination of the war. Knowing this, I am sure that every American, if faced individually with the question as to where General MacArthur could best serve his country, could come to only one answer.

**NOTE:** Like the captain of a ship, General Douglas MacArthur would have stayed on Bataan and Corregidor until they had fallen to the Japs, had not his Commander in Chief ordered him to evacuate. General MacArthur was far more useful to the Allied cause in command of combat operations than as a prisoner of war. While some people thought that the departure of MacArthur from Bataan would dishearten the Filipinos, the contrary proved to be true. The morale

of all the Allied troops in the Southwest Pacific, of all the people in that area, and of the brave Filipino underground units, received a great lift in the knowledge that the President was going to use General MacArthur in fighting back to liberate the Philippines and all the territory the Japs had overrun.

Lieutenant General Jonathan Wainwright was left in command of the heroic defenders of Bataan, and later of Corregidor. True to the highest traditions of the Amer-

### **36. Eight Hundred and Twelfth Press Conference**

ican armed forces he fought a losing but delaying battle which did much to break up the Japanese time-table of conquest. He then suffered over two years of extreme conditions as a Japanese prisoner of war before General MacArthur and his forces returned. (See Item 50 and note, this volume, for the President's message of May 5, 1942, paying tribute to General Wainwright and the gallant defenders of Corregidor.)

Prior to the evacuation of General MacArthur, the American submarine U.S.S. *Swordfish* succeeded in rescuing President Quezon, Vice President Osmeña, and a few high-ranking officials of the Philippines, as well as United States High Commissioner Francis B. Sayre and his family. Another submarine brought ammunition to Corregidor and escaped with gold and other valuables which would have fallen into Japanese hands.

On March 11, 1942, on strict orders directly from the President,

General MacArthur, his family, and approximately fifteen others slipped out of Luzon by motor torpedo boat (the famous "PT Boat"). They proceeded by circuitous routes to Macajalar Bay on the north coast of Mindanao. At that point, two flying fortresses picked up the group and flew them safely down to Australia. General MacArthur then took command of Allied forces in the Southwest Pacific (see Items 36 and 43, this volume, for the President's press conference discussions of General MacArthur's new command).

When the forces of General MacArthur landed on Leyte in October, 1944, the President issued a statement hailing the return of American forces to liberate the Philippines. (See Item 94, 1944-1945 volume, for the President's statement, and messages of congratulations to General MacArthur, Admirals Nimitz and Halsey, and President Osmeña.)

## **36 ¶ The Eight Hundred and Twelfth Press Conference (Excerpts). March 17, 1942**

*(Typewriter strategists — Quotation from Livy — General MacArthur's departure from the Philippines — Time and a half for overtime — Sunday work — Exaggeration of strikes — Anti-strike legislation — Parades.)*

**THE PRESIDENT:** I have got quite a lot of things, and I will start with those in lighter vein and come to the more serious things later.

### *36. Eight Hundred and Twelfth Press Conference*

You know, the only thing that overburdens my shoulders, I being popularly supposed to be overburdened, are some of the dear, "happy thought" people, commentators and editors — not you news people — who bring in hundreds of letters to me just because of some slip of the pen. I suppose I have got two or three hundred letters because of an editorial in one of our more solemn papers, which stated: "Now that Admiral King has been given authority in the Navy comparable with that already held by General Marshall in the Army, it should create a joint general staff in charge of the duty of directing, under the President, all naval and military operations."

Well, it has been a perfect headache. It must have taken a couple of hours of my time in answering letters that were based on that completely false statement. Because, of course, we have had a joint staff for a good long time, not once a week, or something like that, but several times a day. And lots of things like that come up. Well, I figured it out, being of an historical turn of mind, that probably some poor devil had gone through this process of annoyance in past years, some previous time in history, so I went quite far back and I found a very nice thing because we do need to restore our sense of proportion sometimes.

I think this comes from Book 44, Chapter 22, of a great historian by the name of Livy, who wrote about Lucius Æmilius, a Roman consul who had been selected to conduct the war with the Macedonians, B.C. 168. That's not A.D. — that would be an entirely different matter. This is B.C. — 168. He went out from the Senate into the Assembly of the people and addressed them as follows — it sounds as if it were written in 1942:

(*Reading*): "In all public places where people congregate, and actually — would you believe it! — in private parties —"

### 36. Eight Hundred and Twelfth Press Conference

Doesn't that sound just like Washington? (*Laughter*)

"— there are men —"

Of course today could be added women.

"— who know who are leading the armies into Macedonia, where their camps ought to be placed, what strategical positions ought to be occupied, when and by what pass Macedonia ought to be entered, where the magazines are to be formed, by what mode of land and sea transport —"

— and to that we might add today air —

"— supplies are to be conveyed, when actions are to be fought, and when it is better to remain inactive. And they not only lay down what ought to be done, but when anything is done contrary to their opinion they arraign the consul as though he were being impeached before the Assembly.

"This greatly interferes with the successful prosecution of a war, for it is not everybody who can show such firmness and resolution in the teeth of hostile criticism as Fabius did; he preferred to have his authority weakened by the ignorance and caprice of the people rather than gain popularity by disservice to the State.

"I am not one of those who think that generals are not to be advised; on the contrary, the man who always acts on his own initiative shows, in my judgment, more arrogance than wisdom. How then does the case stand? Commanders ought first of all to get the advice of thoughtful and far-seeing men who have special experience of military affairs; then from those who are taking part in the operations, who know the country and recognize a favourable opportunity when it comes, who, like comrades on a voyage, share the same dangers.

"If, then, there is any man who in the interests of the commonwealth feels confident that he can give me good advice in the war which I am to conduct, let him not refuse to help his country, but go with me to Macedonia. I will supply him with a ship, a horse, a tent, and with his travelling expenses as well. If anyone thinks this is too much trouble, let him not try to act as a sea pilot whilst he is on land." (*Laughter*)

Isn't that a classic? (*More laughter*)

"The city itself affords plenty of subjects for conversation, let him confine his loquacity to these; he may rest assured that the discussions in our councils of war will satisfy us."

### *36. Eight Hundred and Twelfth Press Conference*

I think it is rather nice. I think that ought to be printed. Be sure you make it B.C., not A.D.—168. . . .

Well, to come down to more serious things than that, you have read the good news about General MacArthur.

Of course, immediately—we all know that, because we are accustomed to that sort of thing—there is going to be Axis propaganda that will appear this afternoon on their short-wave, and tomorrow morning, about how this is the abandonment of the Philippines, and that General MacArthur's leaving the Philippines is nothing more than another Van Mook having to get out of Java, et cetera. And of course we know what they will say.

On the other side of the picture, put it this way: he will be more useful in Supreme Command of the whole Southwest Pacific than if he had stayed in Bataan Peninsula, where of course the fighting is going on. . . .

**Q.** Could you clear up, sir, what was discussed and what was agreed on in this conference of the labor people today?

**THE PRESIDENT:** Yes, perfectly well, because I think that some of you people need a little clarification in words, and perhaps some of the people who are not here need a little clarification in words, because I am sure none of us wants to give the country a false impression.

We talked about certain false impressions. Well, for example, I have had five letters in the past week from editors of small papers in different parts of the country—I happen to know all five of them; they are grand people—and they asked me why it was—mind you, they had got their information from reading the papers in small towns—and they asked me why it was that nobody was allowed by law to work more than forty hours a week.

Now of course you and I know differently, but they had received that impression either from things they had read, or in speeches they had heard in the Congress and elsewhere, and wanted to know why people weren't allowed to work more than forty hours a week.

### *36. Eight Hundred and Twelfth Press Conference*

Well, that is an amazing state of public misinformation. Of course we all know that there is no limit to forty hours a week anywhere at all — never has been. Plain never has been. We also know that in most of the munitions plants, I think almost all of them, they are working a great deal more than forty hours a week. A few plants are working forty hours, and some are working thirty hours, some are working twenty hours a week. Why? The approximate cause is because the materials are not coming into the plant to work on. I think it is a fair thing to point out the whole story, and not a part of the story.

Now there has been a rule in this country for a great many years. It has been almost, you might say, a national standard in industrial plants, and that is that you pay for more than forty hours a week. You don't restrict it to that. You pay time and a half for overtime. Well, we talked about that, and we talked about the desirability of having that known through the whole country, just that simple fact, on which there is a good deal of misinformation.

Then there was another question that we talked about, which I haven't agreed with some of the labor leaders on at all, and that is that there should be double pay for Sunday. But on the other hand, we should try to do two things as a national policy. The first is to stagger the days of work, so that we would have a six-day week; and let people off for one day a week, not necessarily Sunday, but one day a week. That means that you get Sunday operation of a plant.

However, to work out there must be some term for it. I don't know what it is. Suppose you want to work seven days a week. The only way I can discuss it is this way: One-seventh would take Sunday off. One-seventh would take Monday off. One-seventh would take Tuesday off, and so on through the week. Well, you get a thing which has been the law of the land in almost every State. I think it was my bill when I was in the State Senate, and I got it through — the "One Day Rest

### *36. Eight Hundred and Twelfth Press Conference*

in Seven" bill — very strongly backed by almost everybody in this country, the "One Day Rest in Seven."

Now we ought to keep it up, but we want to keep the plants open every day in the week. You can do it by staggering the shifts. It is a practical thing to do. And so I said let's forget about this double time for Sundays.

And I told them an amusing story: that I was talking to a Britisher — they have been plagued a good deal by that rule, and they are getting away from it. They have had the double pay for Sundays over there, with the net result, in some plants, that a great many more people reported on Sundays than any other day in the week. See how it works?

So the idea is that we could continue, as has been the custom in Britain and here for a great many years, to pay double time for the seventh consecutive day of work, but to try not to have a seventh consecutive day of work, except in some emergency we have to get some particular job out in a hurry.

*Q.* They have agreed to that part?

*THE PRESIDENT:* That was my suggestion.

*Q.* But they agreed to do it?

*THE PRESIDENT:* Well, silence sometimes gives consent. I think they will take it. (*Laughter*) . . .

*Q.* You said a few minutes ago there was an amazing state of public misinformation about that. I wonder if we could put quotes around that phrase?

*THE PRESIDENT:* Yes, that's all right. Well now, for instance, you know the number of people that have been on strike. Oh, I saw in one of the press association stories that at some little bit of a two-by-four place, that frankly I had never heard of before, fifteen men went out. Well it made all the metropolitan dailies in this country. That's the kind of thing that I call creating misinformation.

*Q.* What were they making in those plants?

*THE PRESIDENT:* Oh, I haven't the faintest idea.

*Q.* That might be important?

*THE PRESIDENT:* They may have been baking bread for the

### *36. Eight Hundred and Twelfth Press Conference*

soldiers, or some cake, for all I know. I don't think that makes an awful lot of difference, because you can't take a list of things that are absolutely essential. If you did that you would have to list them in about 24 categories, and in priorities of essentiality. You can't do it. I mean it will just become a stunt that wouldn't be quite fair.

*Q.* Do you think that any repressive legislation — any anti-strike —

*THE PRESIDENT:* (*interposing*) Well, there is one thing really — I always have to check a little — I don't know whether it's his language or not — it doesn't sound like his language. What Bill Green said seems to be quoted here in accordance with what happened, but the quote from Phil Murray, we didn't talk about. That's the real answer.

*Q.* What part of that are you referring to?

*THE PRESIDENT:* This: C.I.O. President Murray said that voluntary action by labor to yield its right to strike was a much more satisfactory answer to the problem of production, of national unity, than resort to restrictive enactments by Congress. Well, the question of strike did not come up, in this sense: that there is no strike problem today. Now that is the big fact. No agreement was necessary on it, because it is a fact.

*Q.* May we quote that, sir?

*THE PRESIDENT:* No. You will have me quoting all over the place.

Practically speaking, there are no strikes today. In England — let's go back and do a little analogy work — in England, labor agreed two years ago not to strike. I think it was just about the same period after they got into the war as it was over here after we got into the war. And they agreed not to strike.

Now they haven't struck except this: that those fifteen men making loaves of bread for somebody have gone on strike in dozens of localities — one today, one tomorrow. And I suppose in England there are — oh, what? — four or five

### *36. Eight Hundred and Twelfth Press Conference*

little local strikes. They don't like the foreman, and they walk out — that sort of thing. It's against the orders of the top unions, just as it is here — exactly. But you get fifteen or twenty people who don't like the kind of tobacco that a foreman smokes. They don't like the smell of it. Well, they might go on strike to make him change his brand of smoking tobacco. Now things like that have happened, not only in England but over here. Silly little things. They really don't affect the war effort nearly as much as lots of other things.

Just by way of illustration, I think it probably is true, as I wrote to one of my professional economist friends the other day, he told me that since our war effort began — I don't know what it was — beginning June, 1940, something terrible had happened. We had lost 30,000,000 man-days of work through strikes in a year and three-quarters — well, I didn't check, but assumed he was right — that if we hadn't lost that 30,000,000 man-days of work in a year and three-quarters, Japan never would have declared war on us. We never would have lost the Philippines, or the Dutch Indies, or Singapore. And the dear fellow wrote to me really honestly believing it.

And I wrote him back: I have got something almost more serious to tell you about. This is bad enough what you say, but do you realize that if it hadn't been for the common cold in America today, we would be in Berlin? (*Laughter*) We would be in Berlin today if it hadn't been for the common cold, because there were 60,000,000 man-days lost in that same period through common colds.

In other words, why don't we in this country get a little sense of proportion and think things through? Well, headlines are responsible for it. Irresponsible people are responsible for it. Somebody has got to write a good lead. I know, I would like to myself, but let us keep a little sense of proportion.

Now on some of these other things, we talked about the fact that there were practically no strikes at present. Second, that labor has agreed not to strike, and that we have machin-

### *36. Eight Hundred and Twelfth Press Conference*

ery — now that is terribly important — fairly new machinery — we have been at war ninety days, and yet this present Labor Board was set up around January some time. And it seems to be working pretty well.

**Q.** Do you think, sir, then, that we don't need legislation on the question now?

**THE PRESIDENT:** Oh, there is some legislation we might need in time, but don't let us rush things when they are going pretty well. I would rather, for example, I would rather see a few more parades in this country. I would rather have a few more bands playing.

**Q.** Why can't we, sir?

**THE PRESIDENT:** What?

**Q.** Why can't we?

**THE PRESIDENT:** I think we ought to. You can say that I believe it is time for us to wave the flag and get a little more enthusiasm into this. Now there is one thing that some delightful people think can be done. A fellow goes to work, and there are a lot of us who work day by day, and we don't work awfully hard. We sometimes get slack, and we turn out about three-quarters of what we ought to turn out, if we had a little bit more enthusiasm in our work. I think we need more enthusiasm in our work.

And incidentally, Congress can't pass a law to make a man turn out more work in a given time. That is up to the man and not the law.

Gosh, I have given you people enough to write about for a week. (*Laughter*)

**Q.** Thank you, Mr. President.

**NOTE:** See Item 35 and note, this volume, for the White House statement on General MacArthur's departure from the Philippines, and the details of his journey from Corregidor.

For the activities of the National War Labor Board in the settlement of wartime strikes, see Item 6 and note, this volume.

*37. War Relocation Authority*

**37 ¶Establishment of the War Relocation Authority. Executive Order No. 9102.**

**March 18, 1942**

BY VIRTUE of the authority vested in me by the Constitution and statutes of the United States, as President of the United States and Commander in Chief of the Army and Navy, and in order to provide for the removal from designated areas of persons whose removal is necessary in the interests of national security, it is ordered as follows:

1. There is established in the Office for Emergency Management of the Executive Office of the President the War Relocation Authority, at the head of which shall be a Director appointed by and responsible to the President.
2. The Director of the War Relocation Authority is authorized and directed to formulate and effectuate a program for the removal, from the areas designated from time to time by the Secretary of War or appropriate military commander under the authority of Executive Order No. 9066 of February 19, 1942, of the persons or classes of persons designated under such Executive Order, and for their relocation, maintenance, and supervision.
3. In effectuating such program the Director shall have authority to —
  - (a) Accomplish all necessary evacuation not undertaken by the Secretary of War or appropriate military commander, provide for the relocation of such persons in appropriate places, provide for their needs in such manner as may be appropriate, and supervise their activities.
  - (b) Provide, insofar as feasible and desirable, for the employment of such persons at useful work in industry, commerce, agriculture, or public projects, prescribe the terms and conditions of such public employment, and safeguard the public interest in the private employment of such persons.

### *37. War Relocation Authority*

- (c) Secure the cooperation, assistance, or services of any governmental agency.
- (d) Prescribe regulations necessary or desirable to promote effective execution of such program, and, as a means of coordinating evacuation and relocation activities, consult with the Secretary of War with respect to regulations issued and measures taken by him.
- (e) Make such delegations of authority as he may deem necessary.
- (f) Employ necessary personnel, and make such expenditures, including the making of loans and grants and the purchase of real property, as may be necessary, within the limits of such funds as may be made available to the Authority.

4. The Director shall consult with the United States Employment Service and other agencies on employment and other problems incident to activities under this Order.

5. The Director shall cooperate with the Alien Property Custodian appointed pursuant to Executive Order No. 9095 of March 11, 1942, in formulating policies to govern the custody, management, and disposal by the Alien Property Custodian of property belonging to foreign nationals removed under this Order or under Executive Order No. 9066 of February 19, 1942; and may assist all other persons removed under either of such Executive Orders in the management and disposal of their property.

6. Departments and agencies of the United States are directed to cooperate with and assist the Director in his activities hereunder. The Departments of War and Justice, under the direction of the Secretary of War and the Attorney General, respectively, shall insofar as consistent with the national interest provide such protective, police, and investigational services as the Director shall find necessary in connection with activities under this Order.

7. There is established within the War Relocation Authority the War Relocation Work Corps. The Director shall provide, by general regulations, for the enlistment in such Corps, for the

### *37. War Relocation Authority*

duration of the present war, of persons removed under this Order or under Executive Order No. 9066 of February 19, 1942, and shall prescribe the terms and conditions of the work to be performed by such Corps, and the compensation to be paid.

8. There is established within the War Relocation Authority a Liaison Committee on War Relocation, which shall consist of the Secretary of War, the Secretary of the Treasury, the Attorney General, the Secretary of Agriculture, the Secretary of Labor, the Federal Security Administrator, the Director of Civilian Defense, and the Alien Property Custodian, or their deputies, and such other persons or agencies as the Director may designate. The Liaison Committee shall meet at the call of the Director and shall assist him in his duties.

9. The Director shall keep the President informed with regard to the progress made in carrying out this Order, and perform such related duties as the President may from time to time assign to him.

10. In order to avoid duplication of evacuation activities under this Order and Executive Order No. 9066 of February 19, 1942, the Director shall not undertake any evacuation activities within military areas designated under said Executive Order No. 9066, without the prior approval of the Secretary of War or the appropriate military commander.

11. This Order does not limit the authority granted in Executive Order No. 8972 of December 12, 1941; Executive Order No. 9066 of February 19, 1942; Executive Order No. 9095 of March 11, 1942; Executive Proclamation No. 2525 of December 7, 1941; Executive Proclamation No. 2526 of December 8, 1941; Executive Proclamation No. 2527 of December 8, 1941; Executive Proclamation No. 2533 of December 29, 1941; or Executive Proclamation No. 2537 of January 14, 1942; nor does it limit the functions of the Federal Bureau of Investigation.

**NOTE:** In the weeks following the attack on Pearl Harbor, a strong feeling arose among many west coast residents that the presence there of so many Japanese aliens and Americans of Japanese descent constituted a threat to security. On February 19, 1942, the President is-

### *37. War Relocation Authority*

sued Executive Order No. 9066 authorizing the establishment of military areas from which "any or all persons" could be removed. Acting under this Executive Order, Lieutenant General John L. DeWitt, Commanding General of the Western Defense Command, designated the western half of the States of Washington, Oregon, and California, and the southern third of Arizona as military areas from which persons of Japanese descent would eventually be required to evacuate.

While the Army was vested with the responsibility for the actual evacuation, the War Relocation Authority was responsible for the maintenance and supervision of the evacuees in their new homes, and

for arranging for the public or private employment of evacuees. Beginning on March 22, 1942, when the first group of Japanese and Japanese-Americans arrived at a reception center in Owens Valley, California, the War Relocation Authority eventually provided for 110,000 men, women, and children in ten different centers. Nine of the centers housed loyal American citizens and alien evacuees; the tenth center, at Tule Lake, in the northeast corner of California, was established for those evacuees who had expressed loyalty to Japan rather than the United States. The distribution of the 110,000 evacuees among the ten centers was as follows:

<i>Name</i>	<i>Location</i>	<i>Capacity</i>
Central Utah (Topaz)	West central Utah	10,000
Colorado River (Poston)		
Unit 1	Western Arizona	10,000
Unit 2	Western Arizona	5,000
Unit 3	Western Arizona	5,000
Gila River (Rivers)		
Butte Camp	Central Arizona	10,000
Canal Camp	Central Arizona	5,000
Granada (Amache)	Southeastern Colorado	8,000
Heart Mountain	Northwestern Wyoming	12,000
Jerome (Denson)	Southeastern Arkansas	10,000
Manzanar	East central California	10,000
Minidoka (Hunt)	South central Idaho	10,000
Rohwer	Southeastern Arkansas	10,000
Tule Lake (Newell)	North central California	16,000

It was against a background of wartime emotion and intolerance that the War Relocation Authority

began its work. During the four years of its operation, the Authority had to cope with this background,

### *37. War Relocation Authority*

and two or three demonstrations and outbreaks of violence made its problems even more difficult.

At the centers themselves, a large measure of community government was delegated to the evacuees. Employment programs were instituted, allowing residents of the centers to produce their own food and obtain agricultural and industrial employment outside of the centers themselves. Education, medical care, and recreational facilities were provided at the centers.

A large number of evacuees were recruited by the military intelligence service of the War Department and trained at Camp Savage, Minnesota. Relocation centers also provided hundreds to the all-Nisei 442nd Regimental Combat Team, which served with magnificent distinction in Italy during 1944 and 1945.

During late 1942 and 1943, a number of field offices were established to assist in restoring many of the evacuated people to normal life in areas away from the west coast. By the end of 1943, over 17,000 evacuees had established residence outside of the relocation centers. A number of additional evacuees were given seasonal leave privileges to work during harvest seasons and return to the relocation centers after completion of their tasks.

Disturbances which occurred in the Tule Lake Camp during November 1-4, 1943, exaggerated by some parts of the press, caused a wave of hysteria against the Japa-

nese and Japanese-Americans. The fact is that the chief medical officer of the hospital and a member of the internal security staff of the center were injured in brief, unrelated clashes with a group of troublemakers among the evacuees. Short-sighted press relations on the part of W.R.A. staff caused some newspapers to use unreliable sources in printing distortions of what had actually occurred.

The President recognized that Tule Lake and the controversy which raged around it were but small parts of the long-range problem of reabsorption of the evacuees into normal American life. To keep a large number of loyal American citizens in concentration camps was certainly not consistent with the principles for which the United States was fighting. There was an obvious inconsistency between the glorious heroism and sacrifices of the Nisei fighting with the American Army overseas and the severe hardships and public opprobrium to which the families of these American Nisei soldiers still in this country were subjected.

The President felt that the general program would be better administered by placing the War Relocation Authority within a permanent department of the Government. In this way, it would lose none of its independent authority but would profit from supervision by a member of the Cabinet and from the departmental relationships fostered by a long-established

### *37. War Relocation Authority*

department with the public and the Congress. Therefore, on February 16, 1944, the President issued Executive Order No. 9423, transferring the War Relocation Authority to the Department of the Interior. This Department was chosen because of its experience with the Indian Service and because five relocation centers were situated on Interior Department land, and one center had been directly administered by the Interior Department until January 1, 1944.

As the President had anticipated, the administration of the program and its relations with the public were benefited by the prestige of an established department. Two other factors bolstered public confidence in the relocation program. The scattering of several thousand Nisei throughout the Middle West and the eastern seaboard and their intermixture with the rest of the population had a salutary effect upon public opinion. The genuine contributions which these loyal Americans made toward the prosecution of the war soon softened some of the public criticism of this minority group. Still more important, more and more stories came back from overseas of the heroic achievements of Japanese-American troops in combat. In addition to the battle-scarred record of the 442nd Regimental Combat Team, the 100th Infantry Battalion, composed mainly of Nisei volunteer troops from the Hawaiian Islands, slogged up the

Italian peninsula and won many war laurels.

As speedily as possible, evacuees were resettled in normal life. On June 30, 1944, the first of the ten relocation centers (the Jerome Center in Arkansas) was closed. By the end of 1944, about 35,000 evacuees had left the centers. In December, 1944, the War Department revoked the Order providing for mass exclusion of Japanese and Japanese-Americans from the west coast States. One by one, the other centers were closed, and the population was resettled during 1945 and early 1946. By December 1, 1945, all centers except Tule Lake were closed. On March 20, 1946, the Tule Lake Center was closed, and the War Relocation Authority was terminated on June 30, 1946. A little over half of the evacuees returned to the exclusion zone, while the others scattered to other sections of the country. A small group of evacuees was transferred to Department of Justice internment camps.

Operating in an atmosphere of discrimination aggravated by some press reports and by such incidents as the Japanese execution of the aviators in the Doolittle raid on Tokyo, the War Relocation Authority performed its work under the most trying conditions. At best, the relocation program was bound to be distasteful to those who were genuinely concerned with civil liberties. It is a tribute to the Nation's own conscience and concern for such liberties that neither the Govern-

### 38. April 6 Proclaimed as Army Day

ment nor the vast majority of our citizens ever regarded the program as anything more than an unfortunate departure from democratic principles, justifiable because of the immutable urgencies of a war for survival.

On December 15, 1944, the United States Supreme Court in *Korematsu vs. United States* (323 U.S. 214) held (Justices Roberts, Murphy, and Jackson dissenting) that Executive Order No. 9066, to the extent that it provided for exclusion of Japanese and persons of Japanese ancestry from certain west coast areas, was a constitutional exercise of the war powers. The Court in the Korematsu case expressly refused to pass on the validity of detaining the evacuees in assembly and relocation centers on the ground that the issue was not before it.

However, in *Ex Parte Endo* (323 U.S. 283), decided the same day as

the Korematsu case, the constitutionality of the detention program embodied in Executive Orders No. 9066 and 9102, and the Act of March 21, 1942 (56 Stat. 173), was presented to the Court. Involved in the Endo case was the validity of detaining at a relocation center an American citizen of Japanese ancestry, whose loyalty was not questioned, pending her relocation to another area. While the majority of the Court refused to pass on the underlying issues of constitutionality, it held that Endo was entitled to be given her liberty since the Act of March 21, 1942, and the Executive Orders could not be construed to give the War Relocation Authority "authority to subject citizens who are concededly loyal to its leave procedure." In concurring opinions, Mr. Justice Murphy and Mr. Justice Roberts held that detention was unconstitutional.

## 38 ¶ The President Proclaims April 6 as Army Day. Proclamation No. 2542. March 20, 1942

I HAVE proclaimed April 6 Army Day. That day means more than ever to us this year. We are fighting an all-out war in defense of our rights and liberties.

Army Day becomes, therefore, in fact a total-war day. It becomes a day when all of our citizens in civil pursuits can rally to the support of our armed forces, for only in the united effort of all of our forces — Army, Navy, and civilians — can we find the strength to defeat our enemies.

### *39. Suspension of Wartime Anti-Trust Proceedings*

Never before in the one hundred and sixty-six years of our history as a free Republic under God have our armed forces had so much meaning for us all. We are engaged in our greatest war, a war that will leave none of our lives wholly untouched.

We shall win that war as we have won every war we have fought. We are fighting it with a combined force of free men that is, in Lincoln's words, of the people, by the people, for the people of the United States of America.

Our Army is a mighty arm of the tree of liberty. It is a living part of the American tradition, a tradition that goes back to Israel Putnam, who left his plow in a New England furrow to take up a gun and fight at Bunker Hill. In this tradition American men of many ages have always left the pacific round of their usual occupations to fight in causes that were worth their lives — from Lexington to the Argonne.

In times of peace we do not maintain a vast standing Army that might terrorize our neighbors and oppress our people. We do not like to rehearse interminably the cruel art of war. But whenever a tyrant from across the seas has threatened our liberties, our citizens have been ready to forge and use the weapons necessary for their defense.

It is the men of the regular Army together with the citizen soldiers, our friends and relatives and neighbors of a few short days ago, and the men of all our armed forces, that we honor on Army Day.

### **39 ¶ The President Approves of the Suspension of Certain Anti-Trust Proceedings for the Duration of the War. March 20, 1942**

I APPROVE of the procedure outlined in your memorandum to me dated March 20, 1942. If it is true that any substantial slowing-up of war production is being occasioned by anti-trust suits,

### *39. Suspension of Wartime Anti-Trust Proceedings*

prosecutions, or court investigations, then the war effort must come first and everything else must wait. For unless that effort is successful, the anti-trust laws, as indeed all American institutions, will become quite academic.

No one, of course, should be permitted to escape ultimate prosecution for any violation of law. I am sure that the Departments of Justice, War, and Navy will all cooperate so that the needs of the war will not be hampered by these court investigations, suits, or prosecutions, but that at the same time the crisis of war will not be used as a means of avoiding just penalties for any wrongdoing. In other words, it must be made very clear that the war effort is being impeded. No right-minded person, or anyone who is conscious of what is at stake, should use the Nation's extremities as an excuse to violate any statute.

Nor indeed should there be any deferment or adjournment of any court investigation, prosecution, or suit unless, after a study and examination with the Attorney General in each specific case, the Secretary of War or of the Navy is satisfied that the war effort will be jeopardized at this time unless such course is followed.

I note from your memorandum that proper steps will be taken to avoid the running of the statute of limitations in any case; and that under no circumstances will there be any delay in the prosecution of acts involving actual fraud upon the Government.

I also heartily approve your intention of making public each determination arrived at by you in accordance with your memorandum. The American people should be informed of each step in their war effort, excepting, of course, any information which may in any way help the enemy in his attempt to destroy us.

While every precaution will be taken to prevent anyone from escaping prosecution if he has violated the anti-trust statutes, whether he is now engaged in war work or not, we must keep our eyes fixed now upon the one all-important primary task—

### *39. Suspension of Wartime Anti-Trust Proceedings*

to produce more materials at a greater speed. In other words we shall give our attention to first things first.

Very sincerely yours,

*Dear Mr. President:*

The undersigned have been considering for some time the problem presented by the fact that some of the pending court investigations, suits, and prosecutions under the anti-trust statutes by the Department of Justice, if continued, will interfere with the production of war materials.

In the present all-out effort to produce quickly and uninterruptedly a maximum amount of weapons of warfare, such court investigations, suits, and prosecutions unavoidably consume the time of executives and employees of those corporations which are engaged in war work. In those cases we believe that continuing such prosecutions at this time will be contrary to the national interest and security. It is therefore something which we seek to obviate as quickly as possible.

On the other hand we all wish to make sure: 1. That no one who has committed a violation of law shall escape ultimate investigation and prosecution; 2. That no such person shall even now be permitted to postpone investigation or prosecution under a false pretext that his undivided time is necessary to the war effort — in other words that it must be preponderantly clear that the progress of the war effort is being impeded; and, 3. That no one who has sought actually to defraud the Government shall obtain any postponement of investigation or prosecution in any event.

Accordingly we have worked out the following procedure, subject to your approval.

Each pending and future Federal court investigation, prosecution, or suit under the anti-trust laws will be carefully studied and examined as soon as possible by the Attorney General, and the Secretary of War or the Secretary of the Navy respectively. If the Attorney General and the Secretary of War or the Secretary of the Navy come to the conclusion that the court investi-

### *39. Suspension of Wartime Anti-Trust Proceedings*

gation, prosecution, or suit will not seriously interfere with the all-out prosecution of the war, the Attorney General will proceed. If they agree that it will interfere; or if after study and examination they disagree, then, upon receipt of a letter from the Secretary of War or the Secretary of the Navy stating that in his opinion the investigation, suit, or prosecution will seriously interfere with the war effort, the Attorney General will abide by that decision and defer his activity in that particular matter, providing, however, that he shall have the right, in such event, to lay all the facts before the President, whose determination, of course, shall be final. In each case the action finally taken will be made public.

The deferment or adjournment of the investigation, suit, or prosecution will not, however, mean the exoneration of the individual or corporation, or the discontinuance of the proceeding. As soon as it appears that it will no longer interfere with war production, the Attorney General will proceed.

To make sure that no one escapes by the running of the statute of limitations, we shall request Congress to pass an appropriate extension of the statute.

Under no circumstances will there be any suspension or postponement of prosecution for any actual fraud committed against the Government.

We feel that this arrangement will adequately protect the public interest.

Respectfully yours,

FRANCIS BIDDLE, *Attorney General*

HENRY L. STIMSON, *Secretary of War*

FRANK KNOX, *Secretary of the Navy*

THURMAN ARNOLD, *Assistant Attorney General,  
in charge of Anti-Trust Division*

**NOTE:** Shortly after Pearl Harbor, the President and the Secretary of War began to get a number of bitter complaints from various war manufacturers stating that Govern-

ment anti-trust proceedings threatened to interfere with the continuity of their production. They claimed that the time and energy of their top personnel were devoted

### *39. Suspension of Wartime Anti-Trust Proceedings*

frequently to these investigations rather than to the production of badly needed munitions. They further contended that they were spending too much time in answering subpoenas served upon them by the Attorney General, calling for "truckloads" of documents.

The Secretary of War urged that the Attorney General be instructed to suspend prosecutions and preparations for trial in such cases in order to permit these companies to devote their full time to the war effort. Obviously, however, the President could not take the position that mere participation in the production of the materials of war was going to exonerate any corporation from violations of the anti-trust laws.

The President asked me to look into this matter, and to get the Attorney General, the Secretary of War, and the Secretary of the Navy together to work out this very difficult situation. It was apparent from the start that we had to devise some means whereby anti-trust investigations and suits, if they really interfered with the war effort, could be postponed. At the same time, we wanted to make sure that violations of the law would not escape prosecution at some future date.

Thurman Arnold, later a Federal judge, was at that time Assistant Attorney General in charge of the Anti-Trust Division of the Department of Justice. Arnold believed passionately in the strict enforce-

ment of the anti-trust laws to the exclusion of any other considerations. He was reluctant to allow any delay in the "trust-busting" policy of the Government — even in wartime. I had several amusing conversations with the President in which I humorously suggested that it would be easier to make Thurman Arnold a Captain in the Navy than to convince him of the necessity of deferring his anti-trust prosecutions which interfered with the war, until victory was in sight. Finally, however, we worked out the details of the agreement to the full satisfaction of Arnold, Attorney General Biddle, and the Secretaries of War and the Navy, and they all signed the agreement set forth above.

As indicated in the foregoing statement of the President and in the agreement, steps were taken to obtain Congressional action extending the statute of limitations, so that no individual or corporation would escape trial by reason of the wartime moratorium on anti-trust proceedings. The President approved such a law on June 11, 1942 (56 Stat. 351).

From the signing of the agreement until it was terminated on August 20, 1945, twenty-five anti-trust cases were postponed after the Secretaries of War and of the Navy had certified that prosecution would seriously interfere with the war effort.

*40. Additional Financing of War Contracts*

**40 ¶ The President Authorizes Additional  
Financing of War Contracts. Executive  
Order No. 9112. March 26, 1942**

WHEREAS in order that contracts of the War Department, the Navy Department, and the United States Maritime Commission (hereinafter referred to as Maritime Commission) which are now outstanding or may hereafter be entered into for war production, including the obtaining or conversion of facilities, may be promptly and effectively performed, it is essential that additional facilities be provided through governmental agencies to supply necessary funds to contractors, subcontractors, and others engaged in such war production pursuant to such contracts;

WHEREAS the War Department, the Navy Department, and the Maritime Commission have available to them amounts appropriated by Congress which may be used for the purpose of making or guaranteeing loans, discounts or advances, or commitments in connection therewith for the purpose of financing contractors, subcontractors, and others engaged in such production or otherwise to expedite war production;

WHEREAS the guaranteeing or making of such loans, discounts, advances, and commitments by the War Department, Navy Department, and Maritime Commission will be expedited and facilitated by utilizing in this connection the Federal Reserve Banks and the Board of Governors of the Federal Reserve System, which are agencies of the Government exercising functions in connection with the prosecution of the war effort and which have offices and other facilities, including experienced personnel, located conveniently throughout the country and are in close and frequent contact with banking and other financing institutions; and

WHEREAS the guaranteeing or making of such loans, discounts, advances, and commitments will greatly facilitate the participation of small business enterprises in war production;

NOW, THEREFORE, by virtue of the authority vested in me by

#### *40. Additional Financing of War Contracts*

the various provisions of the First War Powers Act, 1941, approved December 18, 1941, by all other Acts of Congress, and by the Constitution of the United States, and as President of the United States and Commander in Chief of the Army and Navy of the United States, and deeming that such action will facilitate the prosecution of the war, I do hereby order as follows:

(1) The War Department, Navy Department, and the Maritime Commission are hereby respectively authorized, without regard to the provisions of law relating to the making, performance, amendment, or modification of contracts, (a) to enter into contracts with any Federal Reserve Bank, the Reconstruction Finance Corporation, or with any other financing institution guaranteeing such Reserve Bank, Reconstruction Finance Corporation, or other financing institution against loss of principal or interest on loans, discounts, or advances, or on commitments in connection therewith, which may be made by such Reserve Bank, Reconstruction Finance Corporation, or other financing institution for the purpose of financing any contractor, subcontractor, or others engaged in any business or operation which is deemed by the War Department, Navy Department, or Maritime Commission to be necessary, appropriate, or convenient for the prosecution of the war, and to pay out funds in accordance with the terms of any such contract so entered into; and (b) to enter into contracts to make, or to participate with any Federal Reserve Bank, the Reconstruction Finance Corporation, or other financing institution in making loans, discounts or advances, or commitments in connection therewith, for the purpose of financing any contractor, subcontractor, or others engaged in any business or operation which is deemed by the War Department, Navy Department, or Maritime Commission to be necessary, appropriate, or convenient for the prosecution of the war, and to pay out funds in accordance with the terms of any such contract so entered into.

(2) The authority above conferred may be exercised by the Secretary of War, the Secretary of the Navy, or the Maritime Commission respectively or may also be exercised, in their dis-

#### *40. Additional Financing of War Contracts*

creation and by their direction respectively, through any other officer or officers or civilian officials of the War or Navy Departments or the Maritime Commission. The Secretary of War, the Secretary of the Navy, and the Maritime Commission may confer upon any officer or officers in their respective Departments or civilian officials thereof the power to make further delegations of such powers within the War and Navy Departments and the Maritime Commission.

(3) Any Federal Reserve Bank or any officer thereof may be utilized, and is hereby authorized to act, as agent of the War Department, the Navy Department, or the Maritime Commission, respectively, in carrying out any of the provisions of this Executive Order, and the Secretary of the Treasury is hereby directed to designate each Federal Reserve Bank to act as fiscal agent of the United States pursuant to the provisions of section 15 of the Federal Reserve Act in carrying out any authority granted to it by or pursuant to this Executive Order. In any case in which any Federal Reserve Bank shall make or participate in making any loan, discount or advance, or commitment as agent of the War Department, Navy Department, or Maritime Commission under authority of this Order, all such funds as may be necessary therefor shall be supplied and disbursed by or under authority from the War Department, Navy Department, or Maritime Commission in accordance with such procedure as they may respectively require. Any amounts now or hereafter available under any appropriation act to the War Department, the Navy Department, or the Maritime Commission for the purpose of procuring materials, equipment, or supplies, or of expediting production thereof, may be expended through the agency of the respective Federal Reserve Banks in accordance with the provisions of this Executive Order. In taking any action under any designation or authority given by or pursuant to this paragraph no Federal Reserve Bank shall have any responsibility or accountability except as agent of the War Department, Navy Department, or Maritime Commission, as the case may be.

#### *40. Additional Financing of War Contracts*

(4) All actions and operations of any Federal Reserve Bank under authority of or pursuant to the terms of this Executive Order shall be subject to the supervision of the Board of Governors of the Federal Reserve System and to such directions and conditions as the Board of Governors of the Federal Reserve System may prescribe, by regulation or otherwise, after consultation with the Secretary of War, the Secretary of the Navy, or the Maritime Commission, or their authorized representatives.

(5) The War Department, the Navy Department, and the Maritime Commission shall make reports of all contracts entered into by them respectively pursuant to the terms of this Executive Order, in accordance with the provisions of paragraph 1 of the regulations prescribed in Title II of Executive Order No. 9001 dated December 27, 1941.

(6) Interest, fees, and other charges derived by the War Department, Navy Department, and Maritime Commission, respectively, from operations pursuant to the terms of this Executive Order may be held by the Federal Reserve Banks and shall first be used for the purpose of meeting expenses and losses (including but not limited to attorneys' fees and expenses of litigation) incurred by the Federal Reserve Banks in acting as agents under or pursuant to the provisions of this Executive Order; and to the extent that the amount of such interest, fees, or other charges is insufficient for this purpose the Federal Reserve Banks shall be reimbursed for such expenses and losses by the War Department, the Navy Department, or the Maritime Commission, as the case may be.

**NOTE:** Shortly after Pearl Harbor it became apparent that small businesses and subcontractors were being excluded from full participation in the war program simply because they lacked sufficient finances or credit to proceed with war production. Yet it was imperative both to our economy and to

the production program that these enterprises be utilized if our goal was to be reached. Therefore, a plan was devised which authorized the War and Navy Departments and the United States Maritime Commission — the major purchasers of war matériel — to guarantee the loans and credits which banks

#### *41. W.P.B. and O.P.A. Vested with New Duties*

extended to producers of war matériel.

The foregoing Executive Order also empowered the Federal Reserve System to supervise this new credit plan in consultation with the War Production Board, the armed services, and the Maritime Commission. The Federal Reserve Banks acted as fiscal agents for the armed services and Maritime Commission, arranging the terms of the loans and securing the guarantees subject to the instructions of agents of the armed services. Military liaison officers stationed in the Federal Reserve banks advised on the terms and conditions of individual loans. Pursuant to the terms of the Executive Order, the Federal Reserve Board issued "Regulation V," effective April 6, 1942, laying down the general rules for the guidance of the Federal Reserve Banks in han-

dling guarantees of loans. The loans were known as "V-loans."

By the end of 1942, about 2,700 guaranteed loans, aggregating \$2,700,000,000, had been authorized under the terms of the foregoing Executive Order. To illustrate the extent to which these loans went to small concerns: 27 percent were for amounts up to \$25,000 and 59 percent for amounts up to \$100,000. By the end of 1945 approximately 8,000 loans aggregating \$10,000,000,000 had been guaranteed under the program. Less than 8 percent of the borrowers were enterprises with more than \$5,000,000 in total assets; the balance were mostly in the category of small business.

In addition to the above, loans to small businesses were extended by the Smaller War Plants Corporation.

### **41 ¶ The President Vests the W.P.B. and O.P.A. with Additional Duties. Executive Order**

**No. 9125. April 7, 1942**

**BY VIRTUE** of the authority vested in me by the Constitution and statutes of the United States, as President of the United States and as Commander in Chief of the Army and Navy, and for the purpose of assuring the most effective prosecution of war procurement and production, it is hereby ordered as follows:

1. In addition to the responsibilities and duties described in Executive Order No. 9024, of January 16, 1942, and in Executive

#### *41. W.P.B. and O.P.A. Vested with New Duties*

Order No. 9040 of January 24, 1942, the Chairman of the War Production Board, with the advice and assistance of the members of the Board, shall perform the additional functions and duties, and exercise the additional powers, authority, and discretion conferred upon the President of the United States by Title III of the Second War Powers Act, 1942.

2. The Chairman of the War Production Board may perform the functions and duties, and exercise the powers, authority, and discretion conferred upon him by this or any other Order through such officials or agencies, including the Office of Price Administration (created by the Act of January 30, 1942, Public Law 421, 77th Congress, Second Session), and in such manner as he may determine. In any and all such cases the decision of the Chairman of the War Production Board shall be final.

3. The Chairman of the War Production Board is authorized to delegate to the Office of Price Administration or the Price Administrator such of his functions, duties, powers, authority, or discretion with respect to priorities or rationing, as he may deem to be necessary or appropriate for the effective prosecution of the war; and in the administration or enforcement of any such priorities or rationing authority or any priorities or rationing authority heretofore conferred upon the Office of Price Administration or upon the Price Administrator by the Office of Production Management or by the Chairman of the War Production Board, the Price Administrator is hereby authorized:

(a) To exercise all functions, duties, powers, authority, or discretion with respect to such priorities or rationing in the same manner, and to the same degree and extent, as if such functions, duties, powers, authority, or discretion had been conferred upon or transferred to the Office of Price Administration directly by Executive Order.

(b) To delegate the functions, duties, powers, authority, or discretion mentioned in subparagraphs (a) and (d) hereof, including the authority and power to sign and issue subpoenas, to such person or persons as he may designate or appoint for

#### *41. W.P.B. and O.P.A. Vested with New Duties*

that purpose, to be exercised by such person or persons in any place and at any time.

(c) To institute civil proceedings in his own name to enforce any such priority or rationing authority or any regulation or order heretofore or hereafter issued, or action taken, pursuant to such authority, and to intervene in any civil proceedings in which any such regulation or order is or could be relied upon as ground for relief or defense or is otherwise involved, in any Federal, State, or Territorial court. The Price Administrator shall be represented in any such proceedings by attorneys appointed or designated by him.

(d) To exercise, to the extent necessary for the purposes of this Order, the functions, duties, powers, authority, or discretion conferred upon the President by paragraphs (3) and (4) of subsection (a) of section 2 of the Act of June 28, 1941 (54 Stat. 676), as amended by the Act of May 31, 1941 (Public Law 89, 77th Congress) and by Title III of the Second War Powers Act, 1942 (Act of March 27, 1942, Public Law 507, 77th Congress).

4. War Production Board Directives No. 1 of January 24, 1942 (7 F. R. 562), No. 1A of February 2, 1942 (7 F. R. 698), No. 1B of February 9, 1942 (7 F. R. 925), No. 1C of February 28, 1942 (7 F. R. 1669), and any other authorizations of the Office of Production Management or the War Production Board with respect to priorities or rationing, and all regulations or orders issued, or actions taken, by the Office of Price Administration or the Price Administrator pursuant to such Directives or authorizations, are hereby, until withdrawn or superseded, continued in full force and effect, as if issued pursuant to this Order or under authority conferred pursuant to this Order. No provision of this Order shall be construed to impair the right of the Administrator to maintain pending, or to institute, civil proceedings, or to take any other action with respect to violations prior to the date of this Order of any priorities or rationing regulation or order heretofore issued.

## *42. Governing Board of Pan American Union*

**NOTE:** See Item 9 and note, this volume, for the establishment and functions of the War Production Board.

For an account of the functions of the Office of Price Administration, see Item 12 and note, this volume, and references cited therein.

### **42 ¶ Remarks to the Members of the Governing Board of the Pan American Union. April 14, 1942**

DO NOT let us be formal. We are not having any formalities today, because whenever I make a speech it takes me one week to prepare it, and I have no spare weeks at the present time.

I think it is a fine thing that again we are celebrating Pan American Day. I hope that we are celebrating it in every Republic, because I think it has more significance this year than at any previous time in the history of the hemisphere. I know that some of you have — one or two of you have — certain problems back home. And I do think that the idea is being understood more than ever before what would happen if any part of any of the hemisphere were dominated by a successful Germany. We wouldn't live the same kind of lives — that is the easiest way of putting it. Because that new — not the old German civilization — that new German civilization is so totally different from what all of us have been accustomed to since we were born. I shudder to think of what would happen to any part of the hemisphere that came under German domination.

So I am looking for a word — as I said to the newspapermen a little while ago — I want a name for the war. I haven't had any very good suggestions. Most of them are too long. My own thought is that perhaps there is one word that we could use for this war, the word "survival." The Survival War. That is what it comes pretty close to being — the survival of our civilization, the survival of democracy, the survival of a hemisphere — the newest hemisphere of all of them — which has developed in its

#### *42. Governing Board of Pan American Union*

own ways. On the surface these ways may be a bit different, but down at the bottom there is the same kind of civilization that has come from a love of liberty and the willingness to pioneer. So I think that survival is what our problem is, survival of what we have all lived for, for a great many generations. I think in all of the Republics we have, relatively speaking, quite an ancient civilization — reckoned since we have had independence, and even for a good many years before that. That is why I hope that continental hemispheric solidarity and unanimity are going to continue. At the last Pan American Conference of the hemisphere down at Rio — while some people felt it had not gone so far as it would like to go — we did manage to retain the objective of unanimity.

There may be other problems after the war that we will have to work out among ourselves, sitting around the table, but at the present time we have substantial unanimity. That is a great thorn in the flesh of Herr Hitler. He felt that the success of the Rio Conference was a very serious blow to the Axis' efforts to dominate the world.

And so I hope that we will go on as we have in the past. A few of you were here at the time — in the summer of 1933, after I had been in here for a few months — we had a bit of trouble in the Republic of Cuba. I asked all of the Ambassadors and Ministers of the hemisphere to come in and sit around the table in an informal way. And I told them that I didn't want the United States to do anything without everybody knowing all about it, and that my thought was that it was a problem for Cuba to decide for herself. Cuba did, and many old-fashioned commentators in this country said it was a terrible thing to let Cuba handle the affairs of Cuba.

So I hope we will continue to have the unanimity of the past. And when it comes to cleaning up the mess at the end of this war, after the Axis is defeated, we will have again an hemispheric council around here to see what we are going to do all over the world, because we will have a very great voice in preventing, in the future, an attack on our American civilization.

### 43. Eight Hundred and Nineteenth Press Conference

I haven't prepared any speech. These are just some thoughts that come to me every day — day and night.

We are going places. We will get somewhere. And we are going to have a couple of years, perhaps three years, before we can make sure that our type of civilization is going to survive. I am perfectly confident of it myself. We have all got to sacrifice. But we are going to come out the winner in the long run.

It is good to see you all, and I hope that next year we will be in an even better state than we are in 1942. Good luck to you.

**NOTE:** On April 14, 1890, an Inter-American Conference unanimously adopted a resolution providing that "there shall be formed by the countries represented in this Conference an association under the title of the International Union of American Republics." Over half a century before, Simon Bolivar had first proclaimed the ideal of a cooperative union among the American Republics. The Pan American Union which was formed in 1890 grew in strength as the years progressed, and after 1933 it received new impetus in the Good Neighbor Policy of President Roosevelt.

On a number of occasions on the birthday of the Pan American

Union, the President addressed the Governing Board of the Union in colorful ceremonies amid the flags of the several Republics. For previous presidential addresses on Pan American Day, see Item 37, pp. 129-133, 1933 volume; Item 42, pp. 157-160, 1937 volume; Item 48, pp. 219-221, 1938 volume; Item 56, pp. 195-200, 1939 volume, and Item 33, pp. 158-162, 1940 volume. The President's radio address of May 27, 1941, in which he proclaimed an unlimited national emergency, was delivered with the Governing Board of the Pan American Union as guests, even though it was not actually delivered on Pan American Day.

### 43 ¶ The Eight Hundred and Nineteenth Press Conference (Excerpts). April 14, 1942

(*Victory Book Day — Naming the war — Inflation — General MacArthur's command — Non-defense expenditures — N.Y.A.*)

**THE PRESIDENT:** I have a request to make. The U.S.O., the Red Cross, and the American Library Association have sponsored a campaign to provide ten million books for soldiers, sailors,

#### *43. Eight Hundred and Nineteenth Press Conference*

and marines wherever they may be, and they are planning to have Friday, April 17, as Victory Book Day. This campaign has been going on for a short time, and they have already got five million books for the soldiers, sailors and marines, and they want five million more.

The plan is that on Friday the milkman, the baker, the department store delivery truck, and everybody else, is to be authorized to pick up the books. And school children and boys and girls in high schools and college will be asked to bring books for the fighting men to their school on that day. Motion-picture houses are going to collect books on that day. This campaign has already had a great deal of support from many newspapers throughout the country, who have put on the "Give a Book" campaign. They deserve a word of thanks, plus a request to renew their efforts, and the efforts of the radio people, to carry on until the needed ten million books are in the hands of the armed forces of the country.

So that is a word of encouragement to all of you to get in on this campaign.

**Q.** Mr. President, do you have any suggestions as to what sort of books should be contributed?

**THE PRESIDENT:** Yes. Anything — except algebras. (*Laughter*) Well, in other words, the kind of book that you would read in your own family. I suppose that is the easiest criterion — anything that would interest you and the family.

**Q.** Mr. President, is Governor [Herbert] Lehman of New York coming to Washington, or going to enter the Government in some official capacity?

**THE PRESIDENT:** Oh, I have never heard of it, except from newspaper stories.

**Q. (interposing)** Do you think it would be a good idea?

**THE PRESIDENT:** (*continuing*) The only information I have whatsoever.

**Q.** Mr. President, have you found a name yet for the global war?

**THE PRESIDENT:** Well, I took it up with the — I talked to the meeting of the Pan American Union and the Ambassadors

### 43. Eight Hundred and Nineteenth Press Conference

and Ministers of our sister Republics this morning about it, and I suggested a name myself — The Survival War. [See Item 42, this volume.]

Q. (*interposing*) Survival?

THE PRESIDENT: (*continuing*) I always liked the idea. What was said this morning, it was taken down, and Steve has it for you. (*Turning to Mr. Early*)

MR. EARLY: Afterwards.

THE PRESIDENT: As soon as you have finished you can get it.

Q. Mr. President, is that going to be *it*, Mr. President?

THE PRESIDENT: What?

Q. Is it officially named?

THE PRESIDENT: No, no. I just threw that name out. They liked it.

Q. Mr. President, speaking of newspaper stories, there is also one that Joseph Kennedy might come back to take some kind of job in connection —

THE PRESIDENT: (*interposing*) I also read that in the newspapers.

Q. You don't know any more —

THE PRESIDENT: (*interposing*) No. Certain papers. I wouldn't say that was a connotation of what I have in mind for all newspapers by any means. The connotation might apply to a few papers.

Q. One paper started off that story by beating the life out of him. Was that the story that you read?

THE PRESIDENT: (*laughing*) I don't know.

Q. Mr. President, anything new on the over-all inflation — anti-inflation campaign?

THE PRESIDENT: No. We are working on it right along.

Q. Is there a Message going up on it?

THE PRESIDENT: What?

Q. Is there a Message to go to Congress on it?

THE PRESIDENT: I don't know. I haven't made up my mind as to date or method. I wish you could — all of you — give up the word "inflation," because very few people know what it

### *43. Eight Hundred and Nineteenth Press Conference*

means. Very few people in this room know what it means. I am not quite clear myself, so I am not using the word.

*Q.* What word *are* you using?

**THE PRESIDENT:** You will see, in time.

*Q.* Having a contest to name it?

*Q.* Mr. President, there is a great deal of disturbed feeling in Australia as reflected by dispatches by American correspondents from there, as to the authority that General MacArthur has, and as to what naval forces are at his disposal. Could you tell us, sir, whether —

**THE PRESIDENT:** (*interposing*) I can only tell you in a negative way. There has been singularly little error — there has been overwhelming correctness on the part of the press in talking about the command of General MacArthur. There has been a very minor part of the press or newspapers which have — I trust not deliberately — completely falsified what I did say the other day.

What I have in mind is that this particular little group has talked about the command of the *Pacific* being under General MacArthur. Of course, any reference to the stenographic minutes of the press conference will show that nothing like that was said. [See Item 36, this volume, for the press conference remarks to which the President referred.]

The phrase was *Southwest Pacific*. And that is true today, as it was when I stated it two or three weeks ago.

I think that's all that need be said — *Southwest Pacific*.

*Q.* In other words, he has full authority there, sir?

**THE PRESIDENT:** In Southwest Pacific.

*Q.* Including naval?

**THE PRESIDENT:** Including naval.

*Q.* Does that include New Zealand?

**THE PRESIDENT:** Well now, there is a difficult thing, because there are operational problems down there which might be affected by an actual public statement as to just where the area command began and where it ended. I could cite two or three examples of that, which you would readily understand if I were to cite them. But for operational reasons we can't

### *43. Eight Hundred and Nineteenth Press Conference*

talk in terms of whether this particular — I am not saying New Zealand, I am thinking of the other islands — little bits of islands — as to whether they fall into one zone or fall into the other zone. They may or they may not. And it is better to have the enemy do the guessing than for us to tell them.

- Q. Does that difficulty apply also to the Fiji Islands and New Caledonia?

THE PRESIDENT: All of the islands down through there. I should think probably the rule of common sense would govern when I say Southwest Pacific. . . .

- Q. Mr. President, getting back to the inflation program, does that contemplate any further savings in non-defense expenditures?

THE PRESIDENT: Oh, I don't know. I had an awfully funny time on that. There was a very, very famous economist who wrote to me about it — a very serious person, a very old friend of mine, I like him a lot, and he put his question to me just as you put yours. In other words, a generality.

And I wrote him back, "Have you got a copy of the Budget? If not, I will send you one. Tell me where." Well, that was six weeks ago, and he has written me three letters since, and he hasn't answered the question. So my question of course is to you just what it would be to him: Where? In what particular? What is a non-defense expenditure?

- Q. Does that mean, Mr. President, there will not be any? (*Laughter*)

THE PRESIDENT: That is like one of his three replies to me. It begs the question which I asked.

- Q. Well, Mr. President, you are very familiar, I presume, with the list of items that Senator [Harry] Byrd and his Committee have put up.

THE PRESIDENT: (*interjecting*) Yes.

- Q. (*continuing*) You have no comment on that?

THE PRESIDENT: Yes. Well, let me give you a very, very simple example. I think on that list was the abolishing of the whole of N.Y.A. Now at the present time N.Y.A. is training about 400,000 boys and girls each year to go into industry. All right.

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Now, if we abolish N.Y.A. we have to set up something else to train 400,000 people.

Query: Where is the economy?

Now that is a very good example. And of course that is a necessary part of the war work. I don't care where they are trained. Heavens, you can put them under — oh, heavens, I don't care — if you want to you can put them under the Secretary of State. I don't care where it is, as long as I get 400,000 trained boys and girls. . . .

**NOTE:** See Item 20, this volume, for additional press conference discussion of the war work of the National Youth Administration. For

an account of the accomplishments of the N.Y.A., see Item 40 and note, 1941 volume, and references cited therein.

## 44 ¶ The War Manpower Commission Is Created. Executive Order No. 9139. April 18, 1942

BY VIRTUE of the authority vested in me by the Constitution and the statutes, including the First War Powers Act, 1941, as President of the United States and Commander in Chief of the Army and Navy, and for the purpose of assuring the most effective mobilization and utilization of the national manpower, it is hereby ordered:

1. There is established within the Office for Emergency Management of the Executive Office of the President a War Manpower Commission, hereinafter referred to as the Commission. The Commission shall consist of the Federal Security Administrator as Chairman, and a representative of each of the following departments and agencies: the Department of War, the Department of the Navy, the Department of Agriculture, the Department of Labor, the War Production Board, the Labor Production Division of the War Production Board, the Selective Service System, and the United States Civil Service Commission.

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2. The Chairman, after consultation with the members of the Commission, shall:

- (a) Formulate plans and programs and establish basic national policies to assure the most effective mobilization and maximum utilization of the Nation's manpower in the prosecution of the war; and issue such policy and operating directives as may be necessary thereto.
- (b) Estimate the requirements of manpower for industry; review all other estimates of needs for military, agricultural, and civilian manpower; and direct the several departments and agencies of the Government as to the proper allocation of available manpower.
- (c) Determine basic policies for, and take such other steps as are necessary to coordinate, the collection and compilation of labor market data by Federal departments and agencies.
- (d) Establish policies and prescribe regulations governing all Federal programs relating to the recruitment, vocational training, and placement of workers to meet the needs of industry and agriculture.
- (e) Prescribe basic policies governing the filling of the Federal Government's requirements for manpower, excluding those of the military and naval forces, and issue such operating directives as may be necessary thereto.
- (f) Formulate legislative programs designed to facilitate the most effective mobilization and utilization of the manpower of the country; and, with the approval of the President, recommend such legislation as may be necessary for this purpose.

3. The following agencies shall conform to such policies, directives, regulations, and standards as the Chairman may prescribe in the execution of the powers vested in him by this Order, and shall be subject to such other coordination by the Chairman as may be necessary to enable the Chairman to discharge the responsibilities placed upon him:

- (a) The Selective Service System with respect to the use and classification of manpower needed for critical industrial, agricultural, and governmental employment.

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- (b) The Federal Security Agency with respect to employment service and defense training functions.
- (c) The Work Projects Administration with respect to placement and training functions.
- (d) The United States Civil Service Commission with respect to functions relating to the filling of positions in the Government Service.
- (e) The Railroad Retirement Board with respect to employment service activities.
- (f) The Bureau of Labor Statistics of the Department of Labor.
- (g) The Labor Production Division of the War Production Board.
- (h) The Civilian Conservation Corps.
- (i) The Department of Agriculture with respect to farm labor statistics, farm labor camp programs, and other labor market activities.
- (j) The Office of Defense Transportation with respect to labor supply and requirement activities.

Similarly, all other Federal departments and agencies which perform functions relating to the recruitment or utilization of manpower shall, in discharging such functions, conform to such policies, directives, regulations, and standards as the Chairman may prescribe in the execution of the powers vested in him by this Order; and shall be subject to such other coordination by the Chairman as may be necessary to enable the Chairman to discharge the responsibilities placed upon him.

#### 4. The following agencies and functions are transferred to the War Manpower Commission.

- (a) The labor supply functions of the Labor Division of the War Production Board.
- (b) The National Roster of Scientific and Specialized Personnel of the United States Civil Service Commission and its functions.
- (c) The Office of Procurement and Assignment in the Office of Defense Health and Welfare Services in the Office for Emergency Management and its functions.

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5. The following agencies and functions are transferred to the Office of the Administrator of the Federal Security Agency, and shall be administered under the direction and supervision of such officer or employee as the Federal Security Administrator shall designate:

(a) The Apprenticeship Section of the Division of Labor Standards of the Department of Labor and its functions.

(b) The training functions of the Labor Division of the War Production Board.

6. The National Roster of Scientific and Specialized Personnel transferred to the War Manpower Commission and the Apprenticeship Section transferred to the Federal Security Agency shall be preserved as organizational entities within the War Manpower Commission and the Federal Security Agency respectively.

7. The functions of the head of any department or agency relating to the administration of any agency or function transferred from his department or agency by this Order are transferred to, and shall be exercised by, the head of the department or agency to which such transferred agency or function is transferred by this Order.

8. All records and property (including office equipment) of the several agencies and all records and property used primarily in the administration of any functions transferred or consolidated by this Order, and all personnel used in the administration of such agencies and functions (including officers whose chief duties relate to such administration) are transferred to the respective agencies concerned, for use in the administration of the agencies and functions transferred or consolidated by this Order; provided, that any personnel transferred to any agency by this Order, found by the head of such agency to be in excess of the personnel necessary for the administration of the functions transferred to his agency, shall be retransferred under existing procedure to other positions in the Government service or separated from the service. So much of the unexpended balances of appropriations, allocations, or other funds available for the use of any agency in the exercise of any function transferred or consolidated by this Order or for the use of the head of any agency in

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the exercise of any function so transferred or consolidated, as the Director of the Bureau of the Budget with the approval of the President shall determine, shall be transferred to the agency concerned, for use in connection with the exercise of functions so transferred or consolidated. In determining the amount to be transferred, the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer or consolidation.

9. Within the limits of such funds as may be made available for that purpose, the Chairman may appoint such personnel and make provision for such supplies, facilities, and services as may be necessary to carry out the provisions of this Order. The Chairman may appoint an executive officer of the Commission and may exercise and perform the powers, authorities, and duties set forth in this Order through such officials or agencies and in such manner as he may determine.

**NOTE:** During the earliest period of the war, manpower shortages were not quite so acute as materials shortages. Nevertheless, the President from the outset recognized that ultimately manpower problems would become pressing and that procedures would have to be adopted to get an adequate labor supply into war industries. At first it was the Labor Division of the National Defense Advisory Commission which was vested with the responsibility of formulating and administering plans for vocational training in defense industries to relieve shortages of skilled labor; later, it was the Labor Division of the Office of Production Management. (See Items 48, 53, 153, 154 and notes, 1940 volume.)

In May, 1940, when the Labor Division of the National Defense Advisory Commission was established, its chief task was to train some of the unemployed workers of the United States for the skilled trades in which war shortages of labor had appeared. With the establishment of the Office of Production Management (see Items 153 and 154, 1940 volume), the Labor Division was expanded and the President directed that it assume greater responsibilities for "getting the necessary workers into the plants."

Several other agencies had responsibilities in the field of supply of labor. Chief among these was the United States Employment Service, which recruited and placed industrial workers in jobs. Before the

#### *44. War Manpower Commission*

war, the U.S.E.S. had been operated by the various States, with the assistance of Federal grants-in-aid. Its number of placements almost doubled in the period between 1940 and 1942. On January 1, 1942, the State employment services were brought under Federal control. Administratively, the U.S.E.S. was under the Federal Security Agency until its transfer to the War Manpower Commission on September 17, 1942.

Also dealing with manpower problems, in addition to the Selective Service System, were: the Office of Education, which conducted vocational education programs and financed training of unemployed workers by local vocational schools; the Department of Agriculture, which recruited agricultural labor and administered farm labor camp programs; the Apprenticeship Section of the Division of Labor Standards of the Department of Labor, which assisted with programs for the apprenticeship training of skilled workers; the Office of Procurement and Assignment in the Office of Defense Health and Welfare Services, which recruited physicians, surgeons, dentists, nurses, and veterinarians; the Civil Service Commission, which recruited for positions in the Government service; the Railroad Retirement Board, which recruited and placed railroad workers; the Maritime Commission and War Shipping Administration, which assisted in procuring personnel for the merchant fleet; the placement and training

programs of the National Youth Administration, Civilian Conservation Corps, and Work Projects Administration; the National Roster of Scientific and Specialized Personnel, which built a central register and pool of available technical personnel and their employment records; the Office of Defense Transportation, which did not recruit or train workers but supplied specialized information on labor requirements in the transportation field; and the War and Navy Departments which, in addition to their military forces, engaged millions of workers for arsenals and navy yards and took a direct part in solving labor shortage and manpower problems involving important war contracts with the Government.

By early 1942, the reasons for centralized and coordinated administration of the manpower program became compelling. Not only did the considerable number of agencies concerned with manpower problems create confusion and overlapping of responsibility, but labor reserves were being steadily reduced so that the problems became increasingly acute. By December 7, 1941, it was clear that both the armed forces and munitions industries would be demanding millions of additional personnel before long.

The following figures prepared by the Bureau of Labor Statistics and Bureau of the Census indicate the growth and distribution of the labor force from April, 1940, through July, 1945:

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### GROWTH AND DISTRIBUTION OF THE LABOR FORCE

Selected Periods  
April, 1940-July, 1945  
(in millions)

	April 1940	Sept. 1940	Sept. 1941	Sept. 1942	Sept. 1943	Sept. 1944	July 1945
Total labor force including armed forces	53.8	54.9	57.0	59.0	63.7	64.8	66.1
Armed forces	.5	.5	2.0	4.6	9.8	11.8	12.3
Civilian labor forces	53.3	54.4	55.0	54.4	53.9	53.0	53.8
Unemployment	7.8	6.2	4.2	1.5	1.0	.8	1.1
Employment	45.5	48.2	50.8	52.9	52.9	52.2	52.7
Agricultural	9.0	10.3	9.3	8.9	9.0	8.6	9.1
Non-agricultural	36.5	37.9	41.5	44.0	43.9	43.6	43.6
Munitions industries	4.0	4.4	6.1	8.4	10.2	9.3	7.9
Other manufacturing	6.5	6.9	7.9	7.8	7.4	7.0	6.6
Federal war agencies	.1	.1	.3	1.1	1.6	1.6	1.6
Other Government	3.9	4.0	4.0	4.0	3.8	3.9	3.9
Transportation and public utilities	2.9	3.1	3.4	3.5	3.7	3.8	3.8
Construction	1.5	2.0	2.6	2.3	1.1	.7	.9
Mining	.9	.9	1.0	1.0	.9	.8	.8
Trade and service	11.0	11.4	12.0	11.5	11.0	11.5	11.7
Other	5.7	5.1	4.2	4.4	4.2	5.0	6.4

Late in 1941, the President began actively to consider the creation of a top coordinating manpower organization. Early in 1942, a number of drafts of the manpower Executive Order were prepared and discussed. This was one of the many Government reorganizations on which the President asked me to work. Associated with me on this particular job was Mrs. Anna M. Rosenberg, the well-known expert

on labor matters who later became a regional director of the War Manpower Commission. From time to time we were given the benefit of the advice and constructive suggestions of Mr. Justice William O. Douglas of the United States Supreme Court and Harold D. Smith and the staff of the Bureau of the Budget. It was agreed that coordination was the chief objective in manpower organization; accord-

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ingly, the foregoing Executive Order provided for integration of the several agencies concerned with the problem. The integration was to be achieved through the War Manpower Commission, which was vested with powers of direction over the operating agencies.

The President designated Paul V. McNutt, Administrator of the Federal Security Agency, to serve also as Chairman of the War Manpower Commission. There was a close relationship between the functions of the War Manpower Commission and the Federal Security Agency.

As indicated in the Executive Order, a number of departments and agencies concerned with manpower problems were represented on the new War Manpower Commission. The Chairman of W.M.C. was given the power to issue orders and instructions to the several Government agencies which had training and labor supply functions. Certain functions were actually transferred directly to the War Manpower Commission. These included the National Roster of Scientific and Specialized Personnel of the United States Civil Service Commission; the Office of Procurement and Assignment in the Office of Defense Health and Welfare Services; and the labor supply functions of the Labor Division of the War Production Board. The training functions of the Labor Division of the War Production Board and the Apprenticeship Section of the

Division of Labor Standards of the Department of Labor were transferred to the Office of Administrator of the Federal Security Agency.

Although the Selective Service System was not included in the War Manpower Commission under the Executive Order, the Chairman of W.M.C. was empowered to issue orders to Selective Service in respect to the use and classification of manpower needed for critical industrial, agricultural, and governmental employment.

During the spring and summer of 1942, the War Manpower Commission commenced supervision over activities to assure the maximum utilization of the Nation's manpower. It supervised the funneling of war workers into critical production work; the establishment of placement priorities; the control of occupational deferments from military service; and provision for the recruitment, placement, and adequate housing of essential agricultural workers.

Shortly after the Commission was created, the Chairman of W.M.C. appointed a national labor-management policy committee to advise with the Commission in carrying out the Commission's responsibilities. This committee afforded equal representation to labor, management, and agricultural organizations on a national basis. The use of the advice and services of this committee was only one example of the way W.M.C. gave representation to all groups in order to keep

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itself fully advised on manpower problems and on the efficiency of operation of the programs.

As the reserve of available workers dwindled, the emphasis in training war workers shifted to the training of youth and women, and to on-the-job training. On-the-job training was extended to cover not only the newer workers but also the foremen and supervisors in order to equip them for better leadership within the plants.

During the first World War there had been extensive pirating of workers not only among competing employers but also among competing industries. This practice was revived during the early months of the war period, although many employers made voluntary agreements in an effort to check it. The practice was wasteful and resulted in instability within plants. The War Manpower Commission was effective in substantially reducing it.

Manpower problems grew more serious in mid-1942. As the armed services and war industries drew off increasingly large proportions of the labor supply, it became even more necessary that an adequate number of skilled workers be allocated to the essential industries. To achieve this objective, the President decided to strengthen the War Manpower Commission by emphasizing its operating functions rather than limiting it merely to coordinating functions. Accordingly, by Executive Order No. 9247, issued on September 17, 1942, the President

transferred a number of agencies and functions to the direct control of the War Manpower Commission. The intention was to develop a more closely knit and effective organization for handling war training and labor supply functions.

Chief among the agencies transferred under Executive Order No. 9247 was the United States Employment Service. The U.S.E.S. had played an increasingly important role in the recruitment and placement of defense and war workers. After its transfer to the War Manpower Commission, it became the most important operating branch of W.M.C. By establishing priorities for essential war occupations, stimulating the interstate movement of war workers and gaining prestige with industry, the U.S.E.S. became a strong force in coping with labor shortages. Through 1,700 local offices and a large number of branch and itinerant offices, it placed 5.2 million workers in 1940; its placements rose to 12.2 million in 1944. In manufacturing industries, its placements rose from 689,000 in 1940 to 6,832,000 in 1944. Placements of agricultural labor rose from 1,566,000 in 1940 to 3,500,000 in 1943 — the last full year in which a farm placement service was operated before the Department of Agriculture assumed this function. Through the efforts of the U.S.E.S., workers were made available to the arsenals, shipyards, munitions factories, aircraft plants, and hundreds of other vital indus-

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tries, including the development of the atomic bomb.

Additional changes in the powers and composition of the War Manpower Commission were effected by Executive Order No. 9279 on December 5, 1942. The major provisions of this Order transferred the Selective Service System to the War Manpower Commission. As labor reserves began to disappear in the summer and fall of 1942, it became imperative to integrate the competing manpower demands of vital war industries and the armed services. Many essential civilian workers were volunteering for military service, and the policies of the Selective Service System on deferment were not in harmony with the needs established by the War Manpower Commission.

Accordingly, by Executive Order No. 9279, the President provided for the transfer of the Selective Service System to the War Manpower Commission and terminated voluntary enlistments in the armed services. Under the terms of the Order, Selective Service became an independent bureau under the War Manpower Commission. Although its Director reported to the Chairman of the War Manpower Commission, in practice the Selective Service System was autonomous within the Commission, and the local boards were completely independent in their operation. Exactly a year after the Selective Service System had been transferred to the War Manpower Commission, the

Congress, on December 5, 1943, enacted legislation restoring the Selective Service System to independent status (57 Stat. 596).

In addition, Executive Order No. 9279 gave formal status to the Management-Labor Policy Committee which had been appointed by the Chairman of the W.M.C. as an advisory body shortly after the establishment of the Commission. Further, the Order gave the W.M.C. control over those military training policies which were then being conducted in educational institutions. It also strengthened the W.M.C.'s authority to regulate the hiring and recruitment of workers in critical war areas.

By 1943, labor shortages had become critical. The total unemployed labor reserve dipped below 1,000,000 workers, and the employment of women and children under eighteen vastly increased. Although women workers had increased from less than 14,000,000 in 1940 to 18,700,000 in July, 1943, there were few further additions in women workers after the summer of 1943. This indicated that the total labor supply would remain almost static. That fact, coupled with the drafting of 400,000 selectees per month and the rising labor demands of munitions industries, made necessary further and more aggressive steps to allocate the dwindling supply of labor.

The chief labor shortages occurred in areas where war contracts were most numerous and which

#### *45. Presentation of Congressional Medal of Honor*

were already congested with war workers. One approach to the problem of preventing turnover in labor in these congested areas was through the activities of the Committee for Congested Production Areas (see Item 34 and note, 1943 volume), which stimulated interagency action to provide the necessary facilities for workers in these overcrowded communities.

In the areas — particularly on the west coast — where critical manpower shortages existed, direct and affirmative action became necessary. It was therefore decided to appoint area production urgency committees and area manpower priorities committees to determine the relative urgency of production programs and to refer workers to jobs on the basis of war production priorities. This plan, known as the "West Coast Plan," was applied in San Diego, Los Angeles, San Francisco, Portland, and Seattle. Pursuant to the plan, the Selective Service System deferred workers in west coast aircraft plants; employment

ceilings were set for individual plants; and the procurement agencies were instructed to divert contracts away from the west coast.

Although in some respects the west coast program did not fulfill all expectations, the controlled referral of workers did succeed in transferring manpower to the places where the war need was greatest. By placing procurement contracts in other sections of the country, the extreme pressure on the labor market on the west coast was somewhat eased.

During 1943-1944, some parts of the west coast program were extended to ten additional critical areas. Programs of manpower priorities, ceilings, and controlled referrals were established with successful results by local War Manpower Commission authorities. In 1944, the War Manpower Commission established a national pattern of manpower control similar to the west coast program. To the end, manpower remained one of the war's most critical problems.

#### 45 ¶ The President Presents the Congressional Medal of Honor to Lieutenant Edward H. O'Hare. April 21, 1942

WELL, now will you step right up here. We have two ceremonies. The first is to congratulate a new Lieutenant Commander Edward H. O'Hare. If you will notice his sleeve, he is only a Junior Lieutenant. He hasn't had time yet to get the "fixings" that go with the rank of Lieutenant Commander.

#### *45. Presentation of Congressional Medal of Honor*

This is an appointment by the Secretary of the Navy which I have approved. All you have to do is to tear off the lower half and return it to the Bureau of Navigation and keep the top half.

And then the other is, I think, more important. (*Reading*):

"The President takes pleasure in presenting the Congressional Medal of Honor to Lieutenant Edward H. O'Hare, U. S. Navy, for services as set forth in the following Citation:

"For conspicuous gallantry and intrepidity in aerial combat, at grave risk of his life above and beyond the call of duty, as section leader and pilot of Fighting Squadron 3, when on February 20, 1942, having lost the assistance of his teammates, he interposed his plane between his ship and an advancing enemy formation of nine attacking twin-engined heavy bombers. Without hesitation, alone and unaided he repeatedly attacked this enemy formation at close range in the face of their intense combined machine-gun and cannon fire, and despite this concentrated opposition, he, by his gallant and courageous action, his extremely skillful marksmanship, making the most of every shot of his limited amount of ammunition, shot down five enemy bombers and severely damaged the sixth before they reached the bomb release point.

"As a result of his gallant action, one of the most daring if not the most daring single action in the history of combat aviation, he undoubtedly saved his carrier from serious damage."

And with that in one hand, then we go ahead and do the little ceremony itself — the Congressional Medal of Honor. And if Mrs. O'Hare is more skilled with her fingers than I am, she will do it.

Put this around his neck. You may have to undo that in order to get it around his neck.

Now you put it 'round his neck, and I will shake hands with you.

There is the case, and there is the button. Now you are outfitted.

I think that's fine.

**NOTE:** On a number of occasions during the war, the President personally presented the Nation's highest award for extraordinary valor in combat. The foregoing award was the first which the President presented personally during World War II.

#### *46. Eight Hundred and Twentieth Press Conference*

Lieutenant Edward H. ("Butch") O'Hare of St. Louis, Missouri, was a naval aviator attached to the aircraft carrier *Lexington*. On February 20, 1942, several waves of twin-motored Mitsubishi-96 heavy Japanese bombers bore down on the *Lexington*. Lieutenant O'Hare had never before seen combat action. He went out with other of the carrier's aircraft to check the Japanese

attack. Because of the successive waves of attacking bombers, at one point Lieutenant O'Hare's plane was alone against nine Japanese bombers. Facing these heavy planes singlehanded, Lieutenant O'Hare shot down five and damaged a sixth in less than five minutes. His heroic action unquestionably saved the *Lexington*.

### **46 ¶ The Eight Hundred and Twentieth Press Conference (Excerpts). April 21, 1942**

*(Enemy-owned patents — Postwar use of enemy patents — Bombing of Tokyo — Shangri-La.)*

**Q.** Do we get all those? (*Indicating the large pile of papers in front of the President*)

**THE PRESIDENT:** You may need them — those are pardons! (*Laughter*) You stepped right into it. (*More laughter*) . . .

I have one that I talked to Leo Crowley about yesterday, in regard to alien enemy-owned patents. And the Alien Property Custodian says that already a great many of them have come into his possession, especially in the chemical and the pharmaceutical field, and several thousand more will be acquired by them in the course of the next few months.

We talked it over, and I asked him to take the necessary steps to make available for war production and national needs all patents that are controlled either directly or indirectly by our enemies, and that these patents should be made freely available for war purposes and national needs, and that there should be a continuation or new research started in connection with their maintenance and expansion. So he is starting in to do that, and to make an exhaustive survey of every known kind of enemy-controlled patent. We think that a

#### *46. Eight Hundred and Twentieth Press Conference*

great many of them, actually owned or controlled by enemies, are ostensibly in the hands of neutrals, or allies, or American citizens. . . .

- Q.* In that same situation there has been brought out before one of the Senate committees — indicating that some of these patent agreements between German and American firms have clauses which would provide for their resumption after the war and it seems to be a moot question as to whether action by the Alien Property Custodian now will affect postwar use. Do you intend to take them and keep them for us?

**THE PRESIDENT:** I think so, in view of the past experience of this Government. During the World War we took over alien enemy-owned patents, and after the war was over we took no steps to keep them from sliding back one way or the other into alien hands. And I think that a recurrence of that should be prevented at the end of this war.

- Q.* Mr. President, what about bona fide American patents that are pooled with enemy alien patents, and are needed for the production of the materials?

**THE PRESIDENT:** Well, my idea is we take everything we need, no matter what the technicalities are. The first thing to do is to win the war. . . .

- Q.* Mr. President, have you any comment on Pierre Laval?

**THE PRESIDENT:** I think I had better not.

- Q.* One of his complaints is that the British are bombing French territory. Is he likely to have any complaint of that sort against the United States?

**THE PRESIDENT:** I don't know.

- Q.* How about the story about the bombing of Tokyo?

**THE PRESIDENT:** Well, the only thing I can think of on that is this: you know occasionally I have a few people in to dinner, and generally in the middle of dinner some — it isn't an individual, it's just a generic term — some "sweet young thing" says, "Mr. President, couldn't you tell us about so and so?"

Well, the other night this "sweet young thing" in the middle of supper said, "Mr. President, couldn't you tell us about

#### 46. Eight Hundred and Twentieth Press Conference

that bombing? Where did those planes start from and go to?"

And I said, "Yes. I think the time has now come to tell you. They came from our new secret base at Shangri-La!"  
*(Laughter)*

And she believed it! *(More laughter)*

Q. Mr. President, is this the same young lady you talked about  
— *(loud laughter interrupted)*

THE PRESIDENT: No. This is a generic term. It happens to be a woman.

Q. Is it always feminine? *(Laughter)*

THE PRESIDENT: I call it a "sweet young thing." Now when I talk about manpower that includes the women, and when I talk about a "sweet young thing," that includes young men. . . .

Q. Would you care to go so far, Mr. President, as to admit that this Japanese —

THE PRESIDENT: *(interposing)* Wait a minute — wait a minute.

"The President Admits" — there's the headline. *(Laughter)*

Go ahead now.

Q. Would you care to go so far as to confirm the truth of the Japanese reports that Tokyo was bombed?

THE PRESIDENT: No. I couldn't even do that. I am depending on Japanese reports very largely. *(Laughter)* . . .

**NOTE:** The following excerpt from a letter from General of the Air Force H. H. Arnold to me, dated April 25, 1949, describes the origin of the first air raid on Tokyo:

"From the start of the war, Franklin Roosevelt wanted a bombing raid on Japan proper. We talked the matter over time and time again, with a view to staging it from China, but by the time we had the planes, the Japs had moved so far inland in China that a raid from bases within China was out of the question.

"The next step, I think, was a conference that I had with Admiral King,

for, as I remember it, Admiral King came to me and said he had been talking with the President and he wanted to know if I thought it would be advisable for B-25's to take off from one of the Navy's carriers. From that time on, it was just a question of King and me arranging the details and keeping the President informed.

"I am of the opinion that the idea originated long before the Churchill Conference in January, 1942. I believe the President talked it over with me right after Pearl Harbor, and also talked it over with Admiral King at the same time. As I remember it now, while Churchill and the President may have talked it over, things were already moving along pretty well with the oper-

#### *46. Eight Hundred and Twentieth Press Conference*

ation prior to Mr. Churchill's arrival for that Conference."

During January, 1942, planning for the operation commenced. Since our intelligence indicated that the Japanese were patrolling their coast to a distance of 300 miles out, the planes had to be launched from well outside that range. It was planned that after the planes bombed Japan they would proceed 1,200 miles farther across the East China Sea and land in airfields in eastern China.

Lieutenant Colonel (later Lieutenant General) James H. Doolittle was selected to lead the raid, with a force of 16 B-25's and an all-volunteer crew of airmen. After an intensified training period in short take-offs with heavy loads, and after the conversion of the B-25's to carry extra fuel, the planes were lashed to the flight deck of the naval aircraft carrier *Hornet*. The task force, under command of Vice Admiral William F. Halsey, left California early in April.

Colonel Doolittle hoped to bring the force 450 miles from Japan before launching the planes, and he figured that the mission could not be successful if the bombers took off more than 650 miles from their objective. Luck would have it, however, that on the morning of April 18, a Japanese patrol vessel was sighted about 800 miles from Tokyo. Rather than take a chance on having the Japanese braced for the blow, it was decided to launch

the bombers ten hours in advance of the plan.

With a bare 467 feet of clear deck in front of him, Colonel Doolittle took off in the lead bomber into a 40-knot gale which was splashing the ocean over the bow of the *Hornet* and making the runway slippery. All 16 B-25's were launched without mishap, and shortly after noon they were unloading their bombs on Japan. Most of the planes carried three 500-lb. demolition bombs and single incendiary clusters, which were dropped on oil stores, factory areas, and military installations of Tokyo. A few planes went on to make minor strikes on Kobe, Yokohama, and Nagoya, with one bomb hitting the Japanese aircraft carrier *Ryuho* in drydock at Yokohama.

The original plan had called for landings in China in the early morning, but the premature take-off meant that landings had to be made in darkness. The wind, rain, and density of darkness combined to make the aftermath of the Tokyo raid a near tragedy. Although all planes escaped injury from enemy action, none of them landed safely at their planned destinations. Most of the crews were able to parachute to safety in Chinese territory, but one plane landed 25 miles north of Vladivostok and the crew was interned by the Russians, and two planes were forced down in Japanese territory. Of the crews of these two planes, two men were drowned after the crash landing, three men

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were executed by the Japanese (see Item 41 and note, 1943 volume), one died in a Jap prison camp, and four others were liberated after the surrender of Japan in 1945.

I was working with the President at his residence at Hyde Park helping in the preparation of his seven-point anti-inflation message to the Congress and the fireside chat which followed it (see Items 47, 48, and notes, this volume). The President, Grace Tully and I were sitting in his tiny study when he received word from Washington that Tokyo had been bombed by Colonel Doolittle and his men.

The President was, of course, overjoyed by the news. He knew the heartening effect it would have on American morale and the morale of our Allies, and the blow to the prestige of the Japanese, to have American bombers over Tokyo even for a short, fleeting time. That is why he ordered the raid.

After receiving the news, the President was on the telephone several times with people in Washington, and in the course of one conversation he was asked to be prepared to answer questions on

where the bombers had been launched. We were talking about it over a cup of tea. I said, "Mr. President, do you remember the novel of James Hilton, *Lost Horizon*, telling of that wonderful, timeless place known as Shangri-La. It was located in the trackless wastes of Tibet. Why not tell them that that's where the planes came from? If you use a fictional place like that, it's a polite way of saying that you do not intend to tell the enemy or anybody else where the planes really came from."

The President put in a call for Steve Early and told him that if anyone wanted to know where the bombers originated, he was going to say "Shangri-La."

Later, when the President began to use his retreat in the Catoctin Mountains of Maryland, he again drew upon the imaginative locality in Hilton's novel and accepted the name "Shangri-La" which newspapermen and others applied to his hideaway (see Item 63, this volume). Toward the close of the war, an American naval aircraft carrier was also named "Shangri-La."

## 47 ¶ The President Outlines a Seven-Point Economic Stabilization Program. April 27, 1942

*To the Congress:*

IN CERTAIN ways the present world-encircling war presents problems which were unimaginable during the first World War.

The theaters of combat today cover vastly greater areas. Many

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more millions of human beings are involved. The new factors of mechanical power, in the air and on the land and on the sea, have produced radical changes in basic strategy and tactics.

In this new war the Nations resisting the Axis powers face an even greater challenge to their very existence. They fight more powerful, more sinister foes; but their understanding of the magnitude of the task and the very firmness of their determination make victory certain in the long days to come.

In some other ways, however, the circumstances of today parallel those of 1917-1918. Now, as in the last war, the common enemy has had all the advantage at the outset. Now, as then, bitter defeats and heavy losses must be endured by those who are defending civilization, before we will be able to establish the vital superiority in men and munitions which will turn the tide.

The United States was far better prepared for actual war on December 7, 1941, than it was on April 6, 1917. For over two years, by a succession of Congressional Acts, we had carried out or initiated safety measures for our own defense in growing volume and importance. There were the revisions of the Neutrality laws, the adoption of the Selective Service law and the Lend-Lease law, and the great increases of our Army and Navy and the instruments of war which they needed.

After Pearl Harbor, the American people adopted a national program of war production which would have been called fantastic by most people two years before. It has required the shifting of the major part of American industry from the products of peace to the weapons of war.

Inevitably — but with the full approval of the Nation — this enormous program is dislocating industry, labor, agriculture, and finance. It is disrupting, and will continue to disrupt, the normal manner of life of every American and every American family. In this, we repeat the pattern of the first World War, although on a vastly greater scale.

During that earlier war there were certain economic factors which produced unnecessary hardships; and these hardships continued long after the signing of the Armistice. I use the word

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“unnecessary” because it is my belief that a very great deal of the suffering which was caused then can be avoided now.

These economic factors relate primarily to an easily understood phrase which affects the lives of all of us — the cost of living. Because rises in the cost of living which came with the last war were not checked in the beginning, people in this country paid more than twice as much for the same things in 1920 as they did in 1914.

The rise in the cost of living during this war has begun to parallel the last. The time has definitely come to stop the spiral. And we can face the fact that there must be a drastic reduction in our standard of living.

While the cost of living, based on the average prices of necessities, has gone up about 15 percent so far since the autumn of 1939, we must now act to keep it from soaring another 80 percent or 90 percent during the next year or two — to hold it to somewhere near the present level.

There are obvious reasons for taking every step necessary to prevent this rise. I emphasize the words “every step” because no single step would be adequate by itself. Action in one direction alone would be offset by inaction in other directions. Only an all-embracing program will suffice.

When the cost of living spirals upward week after week and month after month, people as a whole are bound to become poorer, because the pay envelope will then lag behind rising retail prices. The price paid for carrying on the war by the Government and, therefore, by the people, will increase by many billions if prices go up. Furthermore, there is an old and true saying that that which goes up must always come down — and you and I know the hardships and heartaches we all went through in the bad years after the last war, when Americans were losing their homes and their farms and their savings and were looking in vain for jobs.

We do not intend after this war to present the same disastrous situation to those brave men who today are fighting our battles in all parts of the world. Safeguarding our economy at home is

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the very least that our soldiers, sailors, and marines have a right to expect of us civilians in Government, in industry, on the farm, and in all other walks of life.

We must therefore adopt as one of our principal domestic objectives the stabilization of the cost of living, for this is essential to the fortification of our whole economic structure.

Relying on past and present experience, and leaving out masses of details which relate more to questions of method than to the objective itself, I list for the Congress the following points, which, taken together, may well be called our present national economic policy.

1. To keep the cost of living from spiraling upward, we must tax heavily, and in that process keep personal and corporate profits at a reasonable rate, the word "reasonable" being defined at a low level.

2. To keep the cost of living from spiraling upward, we must fix ceilings on the prices which consumers, retailers, wholesalers, and manufacturers pay for the things they buy; and ceilings on rents for dwellings in all areas affected by war industries.

3. To keep the cost of living from spiraling upward, we must stabilize the remuneration received by individuals for their work.

4. To keep the cost of living from spiraling upward, we must stabilize the prices received by growers for the products of their lands.

5. To keep the cost of living from spiraling upward, we must encourage all citizens to contribute to the cost of winning this war by purchasing war bonds with their earnings instead of using those earnings to buy articles which are not essential.

6. To keep the cost of living from spiraling upward, we must ration all essential commodities of which there is a scarcity, so that they may be distributed fairly among consumers and not merely in accordance with financial ability to pay high prices for them.

7. To keep the cost of living from spiraling upward, we must discourage credit and installment buying, and encourage the paying off of debts, mortgages, and other obligations; for this

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promotes savings, retards excessive buying and adds to the amount available to the creditors for the purchase of war bonds.

I know that you will appreciate that these seven principal points, each and every one of them, will contribute in substantial fashion to the great objective of keeping the cost of living down.

It is my best judgment that only two of these points require legislation at the present time, for the very good reason that the Congress has already passed laws with respect to the others which seem adequate to meet the national policy enunciated.

I assure the Congress that if the required objectives are not attained, and if the cost of living should continue to rise substantially, I shall so advise the Congress, and shall ask for any additional legislation which may be necessary.

In the first item, legislation is necessary, and the subject is now under consideration in the House of Representatives. Its purpose is to keep excess profits down and, at the same time, raise further large sums for the financing of the war.

On this subject, I believe that the objective can be attained through tax processes. We are now spending, solely for war purposes, the sum of about \$100,000,000 every day of the week. But before this year is over that rate of expenditure will be doubled. This means that a sum equal to more than half of the entire national income will be spent in the war effort. Almost the whole of these billions is being and will be spent within the United States itself.

Profits must be taxed to the utmost limit consistent with continued production. This means all business profits — not only in making munitions, but in making or selling anything else. Under the proposed new tax law we seek to take by taxation all undue or excess profits. It is incumbent upon the Congress to define undue or excess profits; and anything in excess of that specific figure should go to the Government.

One of our difficulties is to write a law in which some clever people will not find loopholes, or in which some businesses will not be equitably included. I have suggested to the Chairman of the Committee on Ways and Means in the House of Representa-

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tives that some blanket clause could well cover, by a special tax, all profits of any kind of business which exceed the expressed definition of the legal profit figure.

At the same time, while the number of individual Americans affected is small, discrepancies between low personal incomes and very high personal incomes should be lessened; and I therefore believe that in time of this grave national danger, when all excess income should go to win the war, no American citizen ought to have a net income, after he has paid his taxes, of more than \$25,000 a year. It is indefensible that those who enjoy large incomes from State and local securities should be immune from taxation while we are at war. Interest on such securities should be subject at least to surtaxes.

I earnestly hope that the Congress will pass a new tax bill at the earliest moment possible. Such action is imperative in the comprehensive all-out effort to keep the cost of living down — and time is of the essence.

The second item, relating to price control, is, with the exception of farm prices, adequately covered by existing law, and I have issued instructions to put this into effect immediately. It is our effort to be fair in all phases of price control; and if our future experience reveals inequality or unfairness, corrections will, of course, be made.

In respect to the third item, seeking to stabilize remuneration for work, legislation is not required under present circumstances. I believe that stabilizing the cost of living will mean that wages in general can and should be kept at existing scales.

Organized labor has voluntarily given up its right to strike during the war. Therefore all stabilization or adjustment of wages will be settled by the War Labor Board machinery which has been generally accepted by industry and labor for the settlement of all disputes.

All strikes are at a minimum. Existing contracts between employers and employees must, in all fairness, be carried out to the expiration date of those contracts. The existing machinery for labor disputes will, of course, continue to give due consideration

#### *47. Seven-Point Stabilization Program*

to inequalities and the elimination of substandards of living. I repeat that all of these processes, now in existence, will work equitably for the overwhelming proportion of all our workers if we can keep the cost of living down and stabilize their remuneration.

Most workers in munitions industries are working far more than forty hours a week, and should continue to be paid at time and a half for overtime. Otherwise, their weekly pay envelopes would be reduced.

All these policies will guide all Government agencies.

In regard to item four, prices of farm products: For nearly nine years it has been the policy of the Government to seek an objective known as "parity" — or, in other words, farm prices that give the farmer an assurance of equality in individual purchasing power with his fellow Americans who work in industry. Some of the products of the farms have not yet reached the stage of parity. Others have exceeded parity. Under existing legislation a ceiling cannot be placed on certain products until they reach a level somewhat above parity.

This calls for the second legislative action which I have mentioned. Under a complicated formula in the existing law, prices for farm products — prices which housewives have to pay for many articles of food — may rise to 110 percent of parity or even higher. It is the fault of the formula. In the case of many articles this can mean a dangerous increase in the cost of living for the average family over present prices.

In fairness to the American people as a whole, and adhering to the purpose of keeping the cost of living from going up, I ask that this formula be corrected, and that the original and excellent objective of obtaining parity for the farmers of the United States be restored.

It would be equally harmful to the process of keeping down the cost of living if any law were passed preventing the Government from selling any of its own surplus farm commodities at the market price. As a national policy, the ceiling on farm products — in other words, the maximum prices to be received by the producers of these products — should be set at parity.

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With respect to item five — the purchase of war bonds — the American people know that if we would raise the billions which we now need to pay for the war and at the same time prevent a disastrous rise in the cost of living, we shall have to double and more than double the scale of our savings. Every dime and dollar not vitally needed for absolute necessities should go into war bonds and stamps to add to the striking power of our armed forces.

If these purchases are to have a material effect in restraining price increases they must be made out of current income. In almost every individual case they should be big enough to mean rigid self-denial, a substantial reduction for most of us in the scale of expenditure that is comfortable and easy for us. We cannot fight this war, we cannot exert our maximum effort, on a spend-as-usual basis. We cannot have all we want, if our soldiers and sailors are to have all they need.

I have been urged by many persons and groups to recommend the adoption of a compulsory plan of savings by deducting a certain percentage of everyone's income. I prefer, however, to keep the voluntary plan in effect as long as possible, and I hope for a magnificent response.

With respect to item six — rationing — it is obviously fair that where there is not enough of any essential commodity to meet all civilian demands, those who can afford to pay more for the commodity should not be privileged over others who cannot. I am confident that as to many basic necessities of life rationing will not be necessary, because we shall strive to the utmost to have an adequate supply. But where any important article becomes scarce, rationing is the democratic, equitable solution.

Item seven — paying off debts and curtailing installment buying — should be made effective as soon as possible now that money is becoming more plentiful. Those who comply with it will be grateful that they have done so, when this war is over. Elimination of private debts and an accumulation of savings will provide a form of insurance against postwar depression. The Federal agency responsible for the control of credit for installment buying is taking appropriate action.

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Indeed, as to all the items which do not require legislation, the executive departments and agencies whose functions and duties are involved are at work as expeditiously as possible in carrying out this whole broad policy.

The result will mean that each and every one of us will have to give up many things to which we are accustomed. We shall have to live our lives with less in the way of creature comforts than we have in time of peace. Our standard of living will have to come down.

Some have called this an "economy of sacrifice." Some interpret it in terms that are more accurate — the "equality of sacrifice." I have never been able to bring myself, however, to full acceptance of the word "sacrifice," because free men and women, bred in the concepts of democracy and wedded to the principles of democracy, deem it a privilege rather than a sacrifice to work and to fight for the perpetuation of the democratic ideal. It is, therefore, more true to call this total effort of the American people an "equality of privilege."

I firmly believe that Americans all will welcome this opportunity to share in the fight of civilized mankind to preserve decency and dignity in modern life. For this is fundamentally a people's war — and it must be followed by a people's peace. The achievement of victory in war and security in peace requires the participation of all the people in the common effort for our common cause.

**NOTE:** Despite the powers exercised by the Office of Price Administration under the Emergency Price Control Act (see Item 12 and note, this volume), it became apparent early in 1942 that a comprehensive and integrated program on all fronts was needed in order to forestall an inflationary rise in the cost of living.

In the four months following Pearl Harbor, food costs had risen

4.9 percent and clothing prices 7.7 percent. While the production of consumer goods declined, consumer incomes sharply increased as war production employment rose. Comitantly, pressure for higher wages grew as the cost of living increased.

In his Annual Budget Message (see Item 3, this volume), the President had urged "an integrated program, including direct price

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controls, a flexible tax policy, allocation, rationing, and credit controls, together with producers' and consumers' cooperation" as a means of averting inflation. As the situation became more acute, the President directed the Treasury, Federal Reserve Board, Department of Agriculture, O.P.A., and the Bureau of the Budget to formulate a coordinated program. Some disagreement developed among the agencies regarding appropriate measures to be taken, but in general the President's Message was based on this interagency preliminary planning.

The staff of the Bureau of the Budget developed a voluminous memorandum, dated March 26, 1942, which dealt in broad and sweeping terms with prices and inflation, wages and salaries, and fiscal measures. The President then asked me early in April to confer with the heads of interested agencies in the development of a coordinated anti-inflation program. Using the Bureau of the Budget memorandum as a basis, various Government officials joined me in a White House conference in the Cabinet Room on April 10. Among those present were the Vice President, the Secretary of the Treasury, the Chairman of the Federal Reserve Board, the Director of the Bureau of the Budget, and the Administrator of the Office of Price Administration. Many issues were debated at this meeting, and in particular there was considerable disagreement over two questions: whether

or not wages should be frozen, and whether there should be voluntary or compulsory savings through bond purchases.

From the time of the April 10 meeting until the final drafting of the message, there were countless other conferences to resolve these and other issues in formulating the anti-inflation program. While the conferences were progressing with the President and the agency heads, the drafting of the speech commenced. Bob Sherwood and I had worked on a draft as early as April 11, and from April 22 until April 27 we checked this and numerous other drafts with the President. The President dictated a draft of his own, and as the preparation of the speech progressed he dictated numerous inserts. "Barney" Baruch, Harry Hopkins, Leon Henderson, and others were very helpful with suggestions and criticism. Henderson in particular was instrumental in persuading the President that the message should insist on no more than parity for farm prices—and not 110 percent of parity, as desired by farm groups. Even though this policy would take new Congressional action in order to permit price ceilings to be imposed as soon as the price of a farm product had reached parity, the President finally decided to press for such action in his message.

Of the seven points embodied in the President's recommended program, O.P.A. already had the authority to establish price ceilings,

#### *47. Seven-Point Stabilization Program*

ration commodities, and control rents. Acting immediately, O.P.A. issued the General Maximum Price Regulation establishing ceilings over a wide number of commodities at all levels of production and distribution. Under this comprehensive regulation, ceilings were set at the highest price which the firm or individual had charged in March, 1942. Specific price and rent control regulations were also established at the same time.

The President recommended higher taxes not only to help finance the war effort out of higher incomes but also to cut down the enormously increased purchasing power which, of course, contributed to inflation. Although the President recommended a total of \$7,600,000,000 in new taxes (later, through the Treasury Department, he asked for even more), the Revenue Act of 1942, which Congress passed in October, 1942 (56 Stat. 798), was designed to provide less than half that amount — \$3,600,000,000.

As the President pointed out when he signed the Emergency Price Control Act in January, 1942 (see Item 12 and note, this volume), the powers of the O.P.A., in respect to fixing ceilings on agricultural products, were too sharply limited by the Congress. With no power to bring many basic farm commodities under maximum price regulations, the O.P.A. was unable to check the rise in the cost of living caused by higher prices of poultry, eggs, sheep and lambs, milk and

milk products, and wheat products.

As indicated by the President in the foregoing message, the National War Labor Board (see Item 6 and note, this volume) was primarily responsible for the stabilization of wages. In the summer of 1942, the existence of the N.W.L.B. was gravely threatened by the "Little Steel" wage dispute which involved the basic issue of placing a ceiling upon wage increases. The dispute was resolved when the majority of the Board adopted the "Little Steel" formula in July, 1942, setting a limit upon wage increases. The President intervened directly to persuade the labor representatives to remain with the Board after they had threatened to resign. The Little Steel formula authorized higher hourly wage rates in situations where wage increases had not kept pace with the rising cost of living prior to May 1, 1942, but drew the line at this date against any further general wage increases.

The President's seven-point anti-inflation program received general popular support and acclaim. It was based on a recognition of the interrelation among the many aspects of our national economy. It was an attempt to attack the inflation problem on all fronts, rather than through piecemeal efforts. But the program proposed by the President was not fully realized. The Congress failed to legislate in response to two of the main points of the President's anti-inflation program — farm prices and taxes.

#### *48. Fireside Chat on Economic Stabilization*

Moreover, the voluntary savings program fell short of its goals, and war expenditures mounted progressively beyond what had been anticipated.

During the summer of 1942 it became apparent that a control agency at the highest level was

needed to deal with all aspects of the problem of controlling inflation. For a discussion of the establishment and operation of this control agency, the Office of Economic Stabilization, see Item 97 and note, this volume.

### 48 ¶ "The Price for Civilization Must Be Paid in Hard Work and Sorrow and Blood"— Fireside Chat to the Nation. April 28, 1942

*My fellow Americans:*

IT IS NEARLY five months since we were attacked at Pearl Harbor. For the two years prior to that attack this country had been gearing itself up to a high level of production of munitions. And yet our war efforts had done little to dislocate the normal lives of most of us.

Since then we have dispatched strong forces of our Army and Navy, several hundred thousand of them, to bases and battle fronts thousands of miles from home. We have stepped up our war production on a scale that is testing our industrial power, our engineering genius, and our economic structure to the utmost. We have had no illusions about the fact that this is a tough job — and a long one.

American warships are now in combat in the North and South Atlantic, in the Arctic, in the Mediterranean, in the Indian Ocean, and in the North and South Pacific. American troops have taken stations in South America, Greenland, Iceland, the British Isles, the Near East, the Middle East and the Far East, the continent of Australia, and many islands of the Pacific. American war planes, manned by Americans, are flying in actual combat over all the continents and all the oceans.

On the European front the most important development of

#### *48. Fireside Chat on Economic Stabilization*

the past year has been without question the crushing counter-offensive on the part of the great armies of Russia against the powerful German Army. These Russian forces have destroyed and are destroying more armed power of our enemies — troops, planes, tanks, and guns — than all the other United Nations put together.

In the Mediterranean area, matters remain on the surface much as they were. But the situation there is receiving very careful attention.

Recently we received news of a change in government in what we used to know as the Republic of France — a name dear to the hearts of all lovers of liberty — a name and an institution which we hope will soon be restored to full dignity.

Throughout the Nazi occupation of France, we have hoped for the maintenance of a French Government which would strive to regain independence, to reestablish the principles of "Liberty, Equality, and Fraternity," and to restore the historic culture of France. Our policy has been consistent from the very beginning. However, we are now greatly concerned lest those who have recently come to power may seek to force the brave French people into submission to Nazi despotism.

The United Nations will take measures, if necessary, to prevent the use of French territory in any part of the world for military purposes by the Axis powers. The good people of France will readily understand that such action is essential for the United Nations to prevent assistance to the armies or navies or air forces of Germany, or Italy or Japan. The overwhelming majority of the French people understand that the fight of the United Nations is fundamentally their fight, that our victory means the restoration of a free and independent France — and the saving of France from the slavery which would be imposed upon her by her external enemies and by her internal traitors.

We know how the French people really feel. We know that a deep-seated determination to obstruct every step in the Axis plan extends from occupied France through Vichy France all the way to the people of their colonies in every ocean and on every continent.

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Our planes are helping in the defense of French colonies today, and soon American Flying Fortresses will be fighting for the liberation of the darkened continent of Europe itself.

In all the occupied countries there are men and women, and even little children, who have never stopped fighting, never stopped resisting, never stopped proving to the Nazis that their so-called "New Order" will never be enforced upon free peoples.

In the German and Italian peoples themselves there is a growing conviction that the cause of Nazism and Fascism is hopeless — that their political and military leaders have led them along the bitter road which leads not to world conquest but to final defeat. They cannot fail to contrast the present frantic speeches of these leaders with their arrogant boastings of a year ago, and two years ago.

On the other side of the world, in the Far East, we have passed through a phase of serious losses.

We have inevitably lost control of a large portion of the Philippine Islands. But this whole Nation pays tribute to the Filipino and American officers and men who held out so long on Bataan Peninsula, to those grim and gallant fighters who still hold Corregidor, where the flag flies, and to the forces that are still striking effectively at the enemy on Mindanao and other islands.

The Malayan Peninsula and Singapore are in the hands of the enemy; the Netherlands East Indies are almost entirely occupied, though resistance there continues. Many other islands are in the possession of the Japanese. But there is good reason to believe that their southward advance has been checked. Australia, New Zealand, and much other territory will be bases for offensive action — and we are determined that the territory that has been lost will be regained.

The Japanese are pressing their northward advance against Burma with considerable power, driving toward India and China. They have been opposed with great bravery by small British and Chinese forces aided by American fliers.

The news in Burma tonight is not good. The Japanese may cut the Burma Road; but I want to say to the gallant people of

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China that no matter what advances the Japanese may make, ways will be found to deliver airplanes and munitions of war to the armies of Generalissimo Chiang Kai-shek.

We remember that the Chinese people were the first to stand up and fight against the aggressors in this war; and in the future a still unconquerable China will play its proper role in maintaining peace and prosperity, not only in eastern Asia but in the whole world.

For every advance that the Japanese have made since they started their frenzied career of conquest, they have had to pay a very heavy toll in warships, in transports, in planes, and in men. They are feeling the effects of those losses.

It is even reported from Japan that somebody has dropped bombs on Tokyo, and on other principal centers of Japanese war industries. If this be true, it is the first time in history that Japan has suffered such indignities.

Although the treacherous attack on Pearl Harbor was the immediate cause of our entry into the war, that event found the American people spiritually prepared for war on a world-wide scale. We went into this war fighting. We know what we are fighting for. We realize that the war has become what Hitler originally proclaimed it to be — a total war.

Not all of us can have the privilege of fighting our enemies in distant parts of the world.

Not all of us can have the privilege of working in a munitions factory or a shipyard, or on the farms or in oil fields or mines, producing the weapons or the raw materials that are needed by our armed forces.

But there is one front and one battle where everyone in the United States — every man, woman, and child — is in action, and will be privileged to remain in action throughout this war. That front is right here at home, in our daily lives, and in our daily tasks. Here at home everyone will have the privilege of making whatever self-denial is necessary, not only to supply our fighting men, but to keep the economic structure of our country fortified and secure during the war and after the war.

#### *48. Fireside Chat on Economic Stabilization*

This will require, of course, the abandonment not only of luxuries but of many other creature comforts.

Every loyal American is aware of his individual responsibility. Whenever I hear anyone saying "The American people are complacent — they need to be aroused," I feel like asking him to come to Washington to read the mail that floods into the White House and into all departments of this Government. The one question that recurs through all these thousands of letters and messages is: "What more can I do to help my country in winning this war?"

To build the factories, to buy the materials, to pay the labor, to provide the transportation, to equip and feed and house the soldiers, sailors, and marines, and to do all the thousands of things necessary in a war — all cost a lot of money, more money than has ever been spent by any Nation at any time in the long history of the world.

We are now spending, solely for war purposes, the sum of about \$100,000,000 every day in the week. But, before this year is over, that almost unbelievable rate of expenditure will be doubled.

All of this money has to be spent — and spent quickly — if we are to produce within the time now available the enormous quantities of weapons of war which we need. But the spending of these tremendous sums presents grave danger of disaster to our national economy.

When your Government continues to spend these unprecedented sums for munitions month by month and year by year, that money goes into the pocketbooks and bank accounts of the people of the United States. At the same time raw materials and many manufactured goods are necessarily taken away from civilian use; and machinery and factories are being converted to war production.

You do not have to be a professor of mathematics or economics to see that if people with plenty of cash start bidding against each other for scarce goods, the price of those goods goes up.

Yesterday I submitted to the Congress of the United States a

#### *48. Fireside Chat on Economic Stabilization*

seven-point program of general principles which taken together could be called the national economic policy for attaining the great objective of keeping the cost of living down.

I repeat them now to you in substance:

First. We must, through heavier taxes, keep personal and corporate profits at a low reasonable rate.

Second. We must fix ceilings on prices and rents.

Third. We must stabilize wages.

Fourth. We must stabilize farm prices.

Fifth. We must put more billions into war bonds.

Sixth. We must ration all essential commodities which are scarce.

Seventh. We must discourage installment buying, and encourage paying off debts and mortgages.

I do not think it is necessary to repeat what I said yesterday to the Congress in discussing these general principles.

The important thing to remember is that each one of these points is dependent on the others if the whole program is to work.

Some people are already taking the position that every one of the seven points is correct except the one point which steps on their own individual toes. A few seem very willing to approve self-denial — on the part of their neighbors. The only effective course of action is a simultaneous attack on all of the factors which increase the cost of living, in one comprehensive, all-embracing program covering prices, and profits, and wages, and taxes and debts.

The blunt fact is that every single person in the United States is going to be affected by this program. Some of you will be affected more directly by one or two of these restrictive measures, but all of you will be affected indirectly by all of them.

Are you a businessman, or do you own stock in a business corporation? Well, your profits are going to be cut down to a reasonably low level by taxation. Your income will be subject to higher taxes. Indeed in these days, when every available dollar should go to the war effort, I do not think that any American citizen

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should have a net income in excess of \$25,000 per year after payment of taxes.

Are you a retailer or a wholesaler or a manufacturer or a farmer or a landlord? Ceilings are being placed on the prices at which you can sell your goods or rent your property.

Do you work for wages? You will have to forego higher wages for your particular job for the duration of the war.

All of us are used to spending money for things that we want, things, however, which are not absolutely essential. We will all have to forego that kind of spending. Because we must put every dime and every dollar we can possibly spare out of our earnings into war bonds and stamps. Because the demands of the war effort require the rationing of goods of which there are not enough to go around. Because the stopping of purchases of non-essentials will release thousands of workers who are needed in the war effort.

As I told the Congress yesterday, "sacrifice" is not exactly the proper word with which to describe this program of self-denial. When, at the end of this great struggle, we shall have saved our free way of life, we shall have made no "sacrifice."

The price for civilization must be paid in hard work and sorrow and blood. The price is not too high. If you doubt it, ask those millions who live today under the tyranny of Hitlerism.

Ask the workers of France and Norway and the Netherlands, whipped to labor by the lash, whether the stabilization of wages is too great a "sacrifice."

Ask the farmers of Poland and Denmark, of Czechoslovakia and France, looted of their livestock, starving while their own crops are stolen from their land, ask them whether "parity" prices are too great a "sacrifice."

Ask the businessmen of Europe, whose enterprises have been stolen from their owners, whether the limitation of profits and personal incomes is too great a "sacrifice."

Ask the women and children whom Hitler is starving whether the rationing of tires and gasoline and sugar is too great a "sacrifice."

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We do not have to ask them. They have already given us their agonized answers.

This great war effort must be carried through to its victorious conclusion by the indomitable will and determination of the people as one great whole.

It must not be impeded by the faint of heart.

It must not be impeded by those who put their own selfish interests above the interests of the Nation.

It must not be impeded by those who pervert honest criticism into falsification of fact.

It must not be impeded by self-styled experts either in economics or military problems who know neither true figures nor geography itself.

It must not be impeded by a few bogus patriots who use the sacred freedom of the press to echo the sentiments of the propagandists in Tokyo and Berlin.

And, above all, it shall not be imperiled by the handful of noisy traitors — betrayers of America, betrayers of Christianity itself — would-be dictators who in their hearts and souls have yielded to Hitlerism and would have this Republic do likewise.

I shall use all of the executive power that I have to carry out the policy laid down. If it becomes necessary to ask for any additional legislation in order to attain our objective of preventing a spiral in the cost of living, I shall do so.

I know the American farmer, the American workman, and the American businessman. I know that they will gladly embrace this economy and equality of sacrifice — satisfied that it is necessary for the most vital and compelling motive in all their lives — winning through to victory.

Never in the memory of man has there been a war in which the courage, the endurance, and the loyalty of civilians played so vital a part.

Many thousands of civilians all over the world have been and are being killed or maimed by enemy action. Indeed, it was the fortitude of the common people of Britain under fire which enabled that island to stand and prevented Hitler from winning

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the war in 1940. The ruins of London and Coventry and other cities are today the proudest monuments to British heroism.

Our own American civilian population is now relatively safe from such disasters. And, to an ever increasing extent, our soldiers, sailors, and marines are fighting with great bravery and great skill on far distant fronts to make sure that we shall remain safe.

I should like to tell you one or two stories about the men we have in our armed forces:

There is, for example, Dr. Corydon M. Wassell. He was a missionary, well known for his good works in China. He is a simple, modest, retiring man, nearly sixty years old, but he entered the service of his country and was commissioned a Lieutenant Commander in the Navy.

Dr. Wassell was assigned to duty in Java caring for wounded officers and men of the cruisers *Houston* and *Marblehead* which had been in heavy action in the Java seas.

When the Japanese advanced across the island, it was decided to evacuate as many as possible of the wounded to Australia. But about twelve of the men were so badly wounded that they could not be moved. Dr. Wassell remained with these men, knowing that he would be captured by the enemy. But he decided to make a last desperate attempt to get the men out of Java. He asked each of them if he wished to take the chance, and every one agreed.

He first had to get the twelve men to the seacoast — fifty miles away. To do this, he had to improvise stretchers for the hazardous journey. The men were suffering severely, but Dr. Wassell kept them alive by his skill, and inspired them by his own courage.

And as the official report said, Dr. Wassell was "almost like a Christ-like shepherd devoted to his flock."

On the seacoast, he embarked the men on a little Dutch ship. They were bombed, they were machine-gunned by waves of Japanese planes. Dr. Wassell took virtual command of the ship,

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and by great skill avoided destruction, hiding in little bays and little inlets.

A few days later, Dr. Wassell and his small flock of wounded men reached Australia safely.

And today Dr. Wassell wears the Navy Cross.

Another story concerns a ship rather than an individual man.

You may remember the tragic sinking of the submarine, the U.S.S. *Squalus*, off the New England coast in the summer of 1939. Some of the crew were lost, but others were saved by the speed and the efficiency of the surface rescue crews. The *Squalus* itself was tediously raised from the bottom of the sea.

She was repaired and put back into commission, and eventually she sailed again under a new name, the U.S.S. *Sailfish*. Today, she is a potent and effective unit of our submarine fleet in the Southwest Pacific.

The *Sailfish* has covered many thousands of miles in operations in those waters.

She has sunk a Japanese destroyer.

She has torpedoed a Japanese cruiser.

She has made torpedo hits — two of them — on a Japanese aircraft carrier.

Three of the enlisted men of our Navy who went down with the *Squalus* in 1939 and were rescued are today serving on the same ship, the U.S.S. *Sailfish*, in this war.

It seems to me that it is heartening to know that the *Squalus*, once given up as lost, rose from the depths to fight for our country in time of peril.

One more story that I heard only this morning:

This is a story of one of our Army Flying Fortresses operating in the western Pacific. The pilot of this plane is a modest young man, proud of his crew for one of the toughest fights a bomber has yet experienced.

The bomber departed from its base, as part of a flight of five bombers, to attack Japanese transports that were landing troops against us in the Philippines. When they had gone about half-way to their destination, one of the motors of this bomber went

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out of commission. The young pilot lost contact with the other bombers. The crew, however, got the motor working again and the plane proceeded on its mission alone.

By the time it arrived at its target the other four Flying Fortresses had already passed over, had dropped their bombs, and had stirred up the hornets' nest of Japanese "Zero" planes. Eighteen of these "Zero" fighters attacked our one Flying Fortress. Despite this mass attack, our plane proceeded on its mission, and dropped all of its bombs on six Japanese transports which were lined up along the docks.

As it turned back on its homeward journey a running fight between the bomber and the eighteen Japanese pursuit planes continued for 75 miles. Four pursuit planes of the Japs attacked simultaneously at each side. Four were shot down with the side guns. During this fight, the bomber's radio operator was killed, the engineer's right hand was shot off, and one gunner was crippled, leaving only one man available to operate both side guns. Although wounded in one hand, this gunner alternately manned both side guns, bringing down three more Japanese "Zero" planes. While this was going on, one engine on the American bomber was shot out, one gas tank was hit, the radio was shot off, and the oxygen system was entirely destroyed. Out of eleven control cables all but four were shot away. The rear landing wheel was blown off entirely, and the two front wheels were both shot flat.

The fight continued until the remaining Japanese pursuit ships exhausted their ammunition and turned back. With two engines gone and the plane practically out of control, the American bomber returned to its base after dark and made an emergency landing. The mission had been accomplished.

The name of that pilot is Captain Hewitt T. Wheless, of the United States Army. He comes from a place called Menard, Texas — with a population of 2,375. He has been awarded the Distinguished Service Cross. And I hope that he is listening.

These stories I have told you are not exceptional. They are typical examples of individual heroism and skill.

#### *49. Message to the D.A.R.*

As we here at home contemplate our own duties, our own responsibilities, let us think and think hard of the example which is being set for us by our fighting men.

Our soldiers and sailors are members of well-disciplined units. But they are still and forever individuals — free individuals. They are farmers, and workers, businessmen, professional men, artists, clerks.

They are the United States of America.

That is why they fight.

We too are the United States of America.

That is why we must work and sacrifice.

It is for them. It is for us. It is for victory.

*NOTE:* See Item 47 and note, this lined the seven-point anti-inflation volume, for the President's message program on April 27, 1942. to the Congress in which he out-

#### 49 ¶ The President Cites Jefferson's Plea to Bury Internal Differences. Message to the Daughters of the American Revolution. May 4, 1942

*My dear Mrs. Pouch:*

DURING times of peace there are intervals when it seems difficult to keep alive the outward manifestations of patriotism. As a result we sometimes wonder whether the new generation has forgotten the sacrifices and heroism of our forefathers, whether the inheritors of this America are confused in purpose and soft in deeds.

The war is now five months old and we have had our answer. Two million men have been called to arms. In far places and near, our soldiers, our sailors, our air pilots, the beleaguered men of the merchant marine, have shown the stuff of heroes. Everything we have asked of them they have delivered. Everything — and more. There was no confusion of purpose, no soft-

### *50. Message to Lt. Gen. Jonathan Wainwright*

ness in deeds, in Bataan. There were heroes at Wake Island and Pearl Harbor and in the rice paddies of Java.

Our men in uniform have proved worthy of America. Now it is up to us at home to prove worthy of them. They have set us an example of sacrifice, of unity, of singleness of purpose that we on the home front must emulate if the Nation is to survive.

There is a message that I wish every delegate to the fifty-first continental congress of the Daughters of the American Revolution would carry home with her, carry home to her townsmen, her friends, her neighbors. It is in the words of Thomas Jefferson. One hundred and thirty-three years ago Jefferson wrote:

"The times do certainly render it incumbent on all good citizens, attached to the rights and honor of their country, to bury in oblivion all internal differences and rally around the standard of their country."

Very sincerely yours,

Mrs. William H. Pouch,  
President General,  
Daughters of the American Revolution

### 50 ¶ The President Sends a Message to Lieutenant General Jonathan Wainwright Praising the Defenders of Corregidor. May 5, 1942

DURING recent weeks we have been following with growing admiration the day-by-day accounts of your heroic stand against the mounting intensity of bombardment by enemy planes and heavy siege guns. In spite of all the handicaps of complete isolation, lack of food and ammunition, you have given the world a shining example of patriotic fortitude and self-sacrifice. The American people ask no finer example of tenacity, resourcefulness, and steadfast courage. The calm determination of your personal leadership in a desperate situation sets a standard of duty for our soldiers throughout the world.

## *51. Women's Army Auxiliary Corps*

In every camp and on every naval vessel soldiers, sailors, and marines are inspired by the gallant struggle of their comrades in the Philippines. The workmen in our shipyards and munitions plants redouble their efforts because of your example. You and your devoted followers have become the living symbols of our war aims and the guarantee of victory.

### **51 ¶ Establishment of the Women's Army Auxiliary Corps. Executive Order No. 9163. May 15, 1942**

BY VIRTUE of and pursuant to the authority vested in me by the Act entitled "An Act to establish a Women's Army Auxiliary Corps for service with the Army of the United States," approved May 14, 1942 (Public Law 554, Chapter 312, 77th Congress), and in order to accomplish the purpose of said Act, I do hereby establish a Women's Army Auxiliary Corps for non-combatant service with the Army of the United States for the purpose of further making available to the national defense the knowledge, skill, and special training of the women of this Nation; and do hereby authorize and direct the Secretary of War, as a first step in the organization of such Corps, to establish units thereof, of such character as he may determine to be necessary to meet the requirements of the Army, with the number of such units not to exceed 100 and the total enrollment not to exceed 25,000.

**NOTE:** On May 14, 1942, the President signed a bill establishing the Women's Army Auxiliary Corps (56 Stat. 278), and on the following day issued the foregoing Executive Order to carry out the terms of the legislation. Army requirements for members of the WAAC rose so fast that it became necessary for the President on November 19, 1942,

to issue Executive Order No. 9274 which raised the upper limit of enrollment from 25,000 to 150,000 women.

Following four weeks of basic training in Army customs, discipline, and courtesies, many WAACs were sent to specialist schools to receive additional training in Army administration procedure, as bakers

## *52. Anniversary of New York Stock Exchange*

and cooks, radio operators, cryptographers, and many other specialties. Later, almost all Army non-combatant training schools were opened to the members of the WAAC.

A little over a year after the WAAC was established, more than 65,000 officers and enlisted women were members. They served in more than 240 posts, camps, and stations in the United States and overseas. On July 1, 1943, the President signed a bill (57 Stat. 371) which changed the status of the Corps from an auxiliary serving with the Army to a regular component of the Army. The statute gave the members the right to Army ratings, grades, privileges, responsibilities, and benefits. It also changed the name of the Women's Army Auxiliary Corps to the Women's Army Corps. Thereafter the Corps was popularly known as the WAC. The change from an auxiliary status to a component status in the Army necessitated re-enlistment. Seventy-

six percent of all members of the Auxiliary Corps re-enlisted in the Women's Army Corps.

The WAC grew rapidly, and reached its peak strength in the spring of 1945, with approximately 100,000 officers and enlisted women. About 18 percent of the WAC served overseas in North Africa, Italy, England, France, Germany, India, China, Ceylon, Australia, Japan, and in many other foreign countries and possessions.

On the first anniversary of the founding of the WAAC, the President stated: "There were many in the beginning who smiled and some who violently opposed the thought of women serving with our armed forces. Today those of us who have seen and know the work they are doing throughout the military establishments of our country and in our foreign stations have only admiration and respect for the spirit, the dignity and the courage they have shown."

## **52 ¶A Letter on the One Hundred and Fiftieth Anniversary of the New York Stock Exchange.**

**May 15, 1942**

*My dear Mr. Schram:*

IT IS WITH a great deal of pleasure that I extend my good wishes to the members of the New York Stock Exchange upon the celebration of the one hundred and fiftieth anniversary of the founding of the Exchange.

### *53. Relations Between State Department and B.E.W.*

Since the original group of twenty-four brokers joined together in 1792 to improve the market in securities being conducted under the famous old buttonwood tree down in Wall Street, the role of the Exchange and its responsibilities in the financial affairs of the Nation have steadily increased. To me it is interesting to note that the Exchange was organized as a direct result of an \$80,000,000 issue of Government bonds authorized by the Congress in 1790 to fund the State and national obligations of the war for American liberty. Just as the Exchange then was able to render an important service to the public and to the Nation, so today it has the opportunity of performing valued services in the present struggle for human freedom.

It has been gratifying to me that the hysteria of the first World War has not been repeated and that our market places this time have remained open. The members of the Exchange, like millions of their fellow citizens, find their normal business life affected by stresses and strains of world-wide character. Yet it is important that we do not permit these difficulties to disrupt our security markets unduly. The continuation of an orderly market will be of vital importance both during the war and during the period of readjustment that will follow. You have an opportunity for great service, and I am confident that in this you will not fail.

Very sincerely yours,

Honorable Emil Schram,  
President,  
New York Stock Exchange,  
New York, N. Y.

### **53 ¶ The President Defines the Relations Between the Department of State and the Board of Economic Warfare. May 20, 1942**

THE following will clarify certain relations and functions of the Department of State and the Board of Economic Warfare in the

### *53. Relations Between State Department and B.E.W.*

administration of the President's Executive Order No. 9128, regarding the Board, and provide for cooperative action between them.

It is contemplated that meetings of the Board will be held at least every two weeks. An agenda for each meeting will be circulated in advance, and each member of the Board is free to raise questions upon his own initiative.

In the making of decisions, the Board and its officers will continue to recognize the primary responsibility and position, under the President, of the Secretary of State in the formulation and conduct of our foreign policy and our relations with foreign Nations. In matters of business judgment concerned with providing for the production and procurement of materials to be imported into this country for the war effort, including civilian supply, the Department will recognize the primary responsibility and position of the Board. In many cases a decision may involve both matters of foreign policy and business judgment in varying degrees. No clear-cut separation is here possible. Accordingly, if occasions arise in which proposed action of the Board or its officers is thought by officials of the State Department to be at variance with essential considerations of foreign policy, the Secretary of State and the Chairman of the Board will discuss such matters and reach a joint decision, in matters of sufficient importance obtaining direction from the President.

The Board will continue to recognize that it is the function of the Department of State to conduct or authorize the conduct of all negotiations with foreign Governments in Washington and abroad. In negotiations relating to the production and procurement of commodities intended for import in accordance with the President's Executive Order, the State Department will recognize the necessity for the participation of representatives of the Board in order that the latter may adequately discharge its responsibilities. In short, for the effective exercise of the functions both of the Board and the Department, it is essential that from the inception of any project there be complete exchange of information, mutual consultation, and mutual confidence.

### *53. Relations Between State Department and B.E.W.*

In negotiations regarding lend-lease master agreements, subsidiary agreements, and arrangements for their implementation, including reciprocal aid to the United States, the Department will obtain the advice, and with respect to the importation of materials and commodities (other than arms and munitions) will obtain the participation of the Board and keep it fully informed.

Missions and individuals desired by the Board to be sent to the field shall be agreed upon by the State Department and the Board in the light of their common desire to increase to the maximum the war effort. The Board will recognize that all functions which are being or can be performed through the regular or auxiliary Foreign Services of the Department should be so performed. The persons and missions which the Board contemplates being sent to the field, other than through the services mentioned, are those needed for the specialized technical and operational functions connected with production and procurement. The Department of State will recognize the need for sending such persons. In exceptional circumstances the Board and the State Department will collaborate in sending joint missions on problems arising from export control or the general economic warfare activities of this Government.

The Board will recognize that persons sent abroad, as provided above, shall be authorized by the Secretary of State, shall assume the status directed by the Secretary of State, and in this respect be subject to the jurisdiction of the Secretary of State. The Chief of the United States Diplomatic Mission in a foreign country is the officer of the United States in charge in that country under whose supervision are coordinated the activities there of all the official representatives of the United States. All negotiations abroad with foreign Governments or officials should be conducted by or under the direction of the Chief of the Diplomatic Mission in the manner described above applicable to negotiations in which the Department and the Board participate. All activities should be fully reported to the Chief of the Diplomatic Mission and be conducted under his advice and instructions. He will respect the position of the Board's representatives in

### *53. Relations Between State Department and B.E.W.*

matters of technical and business judgment and, should questions arise that cannot be settled by agreement in the field, which should rarely be the case, they will be reported through the State Department and settled by the Secretary of State and the Chairman of the Board.

All communications to and from persons or missions sent abroad shall be through the facilities of the Department of State and diplomatic missions, unless other means are agreed upon between the Board and the Department of State. The Department will do its utmost to provide expeditious means for such communications.

Both the Department of State and the Board of Economic Warfare and their officers recognize in the present emergency the need for speed in action and the importance of avoiding all delay in the decision of important matters.

**NOTE:** The foregoing statement marked an important and highly publicized step in the kind of administrative difficulty which created serious problems. Administrative difficulties are, realistically, inevitable when a Government, geared to peacetime democratic action, suddenly shifts to the intense and concentrated basis needed for war. Obviously, war brings a greatly increased demand in every kind of governmental function, and this great expansion must be accompanied by jurisdictional problems, by administrative difficulties, and sometimes by some conflicts of personalities. These difficulties mean a certain amount of inefficiency. Actually, it hardly needs saying, the wartime administrative jobs were done and done well. In any democratic society, new administrative blueprints must be tested in actual

experience before their practicality can be determined. Before smooth operations are reached there generally is some clashing of gears. This was one such case.

The Board of Economic Warfare had its roots in the Economic Defense Board, which the President had established on July 30, 1941 (see Item 71 and note, 1941 volume). On April 13, 1942, the President issued Executive Order No. 9128, which strengthened the functions of the Board of Economic Warfare, particularly in the field of procurement and import of foreign commodities of a strategic and critical nature. Among the additional powers given to the Board under Executive Order No. 9128 were the functions of sending technical, engineering, and economic representatives abroad and also of advising the State Department on the terms

#### *54. Statement on Maritime Day*

and conditions of lend-lease agreements.

It soon became necessary to spell out the provisions of Executive Order No. 9128 in greater detail in order to avoid conflict between the established functions of the Department of State and the newer functions of the Board of Economic Warfare in its particular field of procurement of materials to be imported.

The heart of the President's decision expressed in the foregoing memorandum was that the Department of State would have primary responsibility in the field of foreign policy, and that the Board of Economic Warfare would have primary responsibility in matters of business judgment concerned with the production and procurement of strategic foreign materials. Machinery was provided for the Secretary of State and the Chairman of the

Board of Economic Warfare to reach a joint decision in matters falling between these fields, and a decision by the President was called for in matters of sufficient importance where agreement could not be reached.

The foregoing statement also called for mutual consultation and exchange of information in the negotiation of lend-lease agreements and the dispatch of technical, engineering, and economic representatives of the Board of Economic Warfare to foreign countries. Such missions were to be cleared with the Department of State, and its facilities and channels were to be used.

Shortly after the issuance of this statement, the President took the unprecedented step of attending a formal meeting of the Board of Economic Warfare, at which he urged the fullest cooperation among all agencies.

## 54 ¶ The President's Statement on Maritime Day. May 22, 1942

MARITIME Day, 1942 — this is its first wartime observance — a fitting occasion for all of us, and the people of the United Nations, to join in a salute to our Victory fleet; to pay deserved tribute to the brave men who man the gallant ships of our merchant marine, and those other heroes without uniforms, the shipyard and factory workers.

The tenth annual observance of Maritime Day bears more than ordinary significance for all the people of the Nation. At no time in our history have we been more dependent than we are

#### *54. Statement on Maritime Day*

now upon the productivity of our shipyards and the efficient operation of our cargo vessels. We are engaged in what is largely a war of ocean transportation. We must carry to the corners of the earth the men and materials of war; for our armed forces and for those of our allies.

A little more than a year ago we embarked upon the greatest shipbuilding program in history. No other Nation ever had attempted so vast a maritime enterprise. There were those who doubted our ability to succeed. Today I can assure you that we will perform this near-miracle of ship production. The Nation's shipbuilding capacity has been increased more than 500 percent. That of itself is an outstanding achievement.

We have been, we still are, confronted with a serious shortage of ships to carry the essentials of war. Submarines and the Axis aggressors have taken a heavy toll, but that problem, like the others confronting us, is being solved. Our ships are going through, and will continue to go through in growing numbers.

The American people have reason to be proud of the heroism and patriotism of the officers and seamen of their Victory fleet. During these dangerous days and nights on the sea lanes of the world, with danger lurking above, below, and on the surface, they do not falter in the performance of their duty. Hundreds of them render service far beyond the call of duty. It is gratifying that the Congress has recognized such heroism and authorized the bestowal of proper awards to these men of the sea, who are just as vital to our ultimate victory as the men in the armed forces.

The Nation's maritime industry is writing a wartime preface to the most glorious chapter in our history. It is making a vital contribution to the immediate war effort, and clearing the way for America's full restoration to the position in world trade befitting so great a Nation.

*NOTE:* See Item 16 and note, this time work of the War Shipping volume, for an account of the war-Administration.

*55. Eight Hundred and Twenty-seventh Press Conference*

## 55 ¶ The Eight Hundred and Twenty-seventh Press Conference (Excerpts). May 22, 1942

*(Railway labor mediation procedure — Coordination of agencies in the event of bombing — Visit from President of Peru — Wage stabilization — Overoptimism.)*

**THE PRESIDENT:** I have a couple of things, both of which are aimed at the simplification of ordinary Government procedure under war conditions. The first relates to the adjustment of railway labor disputes. I signed an Executive Order this morning. Hitherto, before the President has appointed an emergency fact-finding board as a result of a railway labor dispute, it has been necessary for the employees involved to take a formal vote, declaring a strike and fixing a date for the vote. In view of the fact that American labor generally is agreed that during the war there shall be no strikes, it has become advisable and necessary to adopt a procedure which would obviate this necessity for a strike vote. The Executive Order provides that if a dispute is not settled by mediation or arbitration under the provisions of the Railway Labor Act — which still remains the first step — instead of taking a strike vote the employees may request the creation of an emergency fact-finding board.

For this purpose the Order provides for the creation of a National Railway Labor Panel, consisting of a Chairman and eight members to be appointed by the President. The Chairman of this Panel shall have the power to designate three members of the Panel to sit as such an emergency fact-finding board, whenever in his judgment the dispute, if unadjusted, may interfere with the prosecution of the war, thus obviating the necessity under the old law for a strike vote.

In this way the usual normal processes of adjustment of railway labor disputes may be continued without requiring the employees either to go out on strike or take a strike vote.

It does not amend the Railway Labor Act, which has

## *55. Eight Hundred and Twenty-seventh Press Conference*

worked very well for a good many years, but merely sets up for the duration of the war this extra-statutory Panel which will provide a means of adjusting disputes without actual strikes.

I think that is perfectly clear. . . .

Then this other one is in the form of a couple of agreements — no Order. In case we get bombed — any community on either coast — there have been three agencies of the Government that have been concerned with looking after the civil population: the Federal Security Agency, the O.C.D. — Civilian Defense — and the American Red Cross. And they have agreed — all three of them — on plans to assist civilian victims of enemy action in case of bombing or shelling.

Immediate responsibility for the care of people who are injured as a result of enemy action is placed on the Emergency Medical Service of the United States Citizens' Defense Corps. In other words, that is the local organization. The Red Cross, which of course has always had its local organization in those places, will assist in furnishing nurses' aides, stretcher teams, ambulances, supplementary equipment, and will not duplicate the work of the Emergency Medical Service.

The Federal Security Administrator will look to the resources of the Red Cross to provide the food, clothing, temporary shelter for masses of individuals in the emergency period, during and immediately following any enemy attack.

The Red Cross will continue special functions only until the regular Federal, State, and local public agencies which have the normal responsibility for meeting the needs of dependent people can make their services available after the emergency. The Red Cross will provide additional services to the appropriate public authorities, on their request, to supplement the normal community facilities.

Emergency feeding and housing, though similarly recognized as the responsibility of the Red Cross, are functions of the over-all emergency services of the local Citizens' Defense Corps. The service thus operates under the control of the

## *55. Eight Hundred and Twenty-seventh Press Conference*

Commander of the Defense Corps, in accordance with the detailed plans that are being worked out by the Defense Corps, the Red Cross chapter, and the local public welfare agencies.

Of course the thing is based on a good deal of experience that we have had, as for instance the Ohio floods of a few years ago, where we got excellent teamwork between the Army, Navy, Coast Guard, Red Cross, and local authorities. And the thing clicked pretty well. This merely makes a similar arrangement in case of enemy attack. . . .

- Q. Mr. President, on Wednesday the President of Peru [Manuel Prado] came to say good-by to you, after his visit in the United States. Could you tell us anything about your talk at that time, or about his visit generally here?

THE PRESIDENT: Well, I think that he was just as happy to be here as we were to have him here. He saw a good deal of the defense work, and he was an extremely delightful guest. And it is part, of course, of the hope that we all feel, not only with Peru but with the other Republics, that we will have more and more knowledge of each other at first hand.

And as you probably know, in 1939, in the spring — it was a secret then but it came out afterwards — I had planned to go down the west coast of South America that autumn. But there were certain untoward events that occurred that autumn, so I couldn't leave. I still hope I can do it some day. . . .

- Q. Mr. President, in your message on controlling the cost of living, one of the steps you set forth was stabilization of wages, which you said would be handled by the War Labor Board. There has been talk about the problem of wage increases, or wage disputes, which are settled without reference to that Board, and in more than 95 percent of cases are settled that way. And they have before them now the problem of some Southern California aircraft companies which have no dispute with their employees but are willing to raise wages.

They want to know whether that conflicts with this program?

THE PRESIDENT: Yes, I think it probably would. In other words,

## *55. Eight Hundred and Twenty-seventh Press Conference*

we can't have one company — just because it happens to be able financially to pay — go ahead and raise wages in one plant, making everybody else unhappy in all the other plants, which is a matter which probably will be taken into consideration by the method of not recognizing private increases which are contrary to the national policy. We want to get as great a uniformity as we can.

Q. Mr. President, do you think that there are some signs of more optimism about the war being expressed now than appear to be justified or wise? Would you care to comment on that?

THE PRESIDENT: In a war, public opinion goes up and down with things which look big at the moment that actually are merely a part of a war. And the more we can do to prevent those ups and downs the better it will be for the war effort. It is going to be a long war, and there is no reason for being overoptimistic one week and overpessimistic the next week. It is caused largely by an unfortunate tendency of — I would say almost — especially the American people — the tendency to overstatement. And it is a great mistake to overstate things. And I think that the press can help very much on that.

Q. Mr. President, in that connection, do you think that some bad news should be passed by the Censor's office on ship sinkings?

THE PRESIDENT: Why, sure. Bad news should be passed out obviously just as much as good news, just as soon as it doesn't affect military operations. There is only one reason for withholding bad news and that is that it might affect military operations and cause more bad news. . . .

Q. Mr. President, isn't this ship-sinking situation still pretty serious?

THE PRESIDENT: Oh my, yes.

Q. Did you read Mr. [Steve] Early's speech at Toledo? (*Laughter*)

THE PRESIDENT: What?

Q. Did you read Mr. Early's speech at Toledo?

THE PRESIDENT: I learned from the headlines that Mr. Early said we are going to win this war, and it's all right.

Q. Can we rely on that?

## *56. War Housing Appropriation*

**THE PRESIDENT:** Rely on him. When he tells you that, he is telling the truth. It might take an awful long time, but he's right.

**VOICES:** Thank you, Mr. President.

**NOTE:** The new railway mediation procedure which the President discussed in the foregoing press conference was embodied in Executive Order No. 9172, issued May 22, 1942.

See Item 47 and note, this volume, for the President's message to the Congress outlining a seven-point economic stabilization program to check the rising cost of living.

### 56 ¶ The President Asks the Congress for \$600,- 000,000 for War Housing Needs. May 27, 1942

#### *To the Congress:*

FROM time to time I have indicated to the Congress the need for adequate housing facilities for the workers moving in vast numbers into areas of expanding war production.

This war involves a total national effort and industrial mobilization. Industry cannot effectively mobilize and plants cannot expand with sufficient rapidity unless there are enough houses to bring the worker to the job, keep him on the job, and maintain his efficiency and morale. More than ever before in our history, we need houses to help win the war.

Thus far, Congress has shown a full appreciation of this need, and has made \$1,020,000,000 in appropriations available for the construction of war housing. This figure reduces to its true perspective when we realize that it is less than 1 percent of the funds made available for war purposes. The allocation of war funds for the shelter of the men and women leaving their homes to serve our war industries is a wise and established national policy.

That policy should continue. War production is now increasing in geometric ratio. Plant capacities are expanding faster and faster. Consistent reports from all over the country indicate a rising need for housing, running far ahead of the supply and

## *56. War Housing Appropriation*

threatening seriously to reduce the effective use of these plants unless remedied at once.

It is clear that the increase in employment in war industries, during the fiscal year 1943, will amount to several million workers. To reduce the amount of new housing required by this expansion, all reasonable recourses are being earnestly pursued. These include conversion of local plants to war purposes, transfers of local workers to war jobs, and drawing upon new sources of local labor supply. While in some cases adequate housing should be provided to keep families together, particularly where there are small children or where the breadwinner cannot afford to maintain two separate living units, there are other cases where workers may find it feasible not to move their families to the locality of their war jobs. It is estimated that the volume of war workers migrating to centers of war activity will be kept down to about 1,600,000 during the fiscal year 1943.

These 1,600,000 war workers need housing. Existing structures are being counted upon to absorb a large portion of them, despite present overcrowding in many industrial areas. Private enterprise is being relied upon to serve a large proportion of the remaining need, and toward this end Federal legislation has recently been enacted. But beyond these methods, there remains the irreducible requirement for a volume of new public construction, largely temporary in nature and designed to serve the lower-income brackets of war workers.

The main vehicle for such public housing construction has been the Act of October 14, 1940, as amended, known as the Lanham Act. The funds under this Act, and under other Acts to provide war housing, are practically all committed. They are being relied upon to meet needs arising before the end of the current fiscal year, and also to meet a part of the need for the fiscal year 1943.

To meet the minimum needs of the 1,600,000 war workers migrating to war centers during the fiscal year 1943, I am suggesting to the Congress the enactment of legislation providing an increase of \$600,000,000 in the authorization contained in

## *56. War Housing Appropriation*

the Lanham Act, as amended. A large portion of these funds will be returned to the Government in the form of rents during the national emergency and through sales thereafter.

There is of necessity a period of several months between the authorization of funds for housing and the completion of living quarters. In view of the urgency of the need, which is a matter of common knowledge, I suggest that this proposed legislation receive the early consideration of the Congress.

**NOTE:** Under the terms of the Lanham Act (54 Stat. 1125), signed by the President on October 14, 1940, \$150,000,000 had been authorized for defense housing. Several amendments to this Act increased the funds authorized by the Congress for defense and war housing (see Item 59 and note, 1941 volume).

The funds requested by the President in the foregoing message were designed to provide 50,000 dormitories for civilian workers at Army posts, as well as 205,000 units for migrant war workers. The need for additional funds was also stressed in Congressional hearings on the President's recommendation by the Under Secretaries of War and of the Navy, the Chairman of the War Production Board, and the Director of Operations of the War Manpower Commission.

In examining the need for additional authorization for war housing, the Congress concluded that the housing for which the President recommended these funds would be provided where most necessary to winning the war; that the in-migration of war workers would total at least 1,600,000 during the following

year; that every reasonable alternative resource was being utilized before resorting to public funds; and that the utmost economy was being employed in the use of public funds and critical materials. The Congress also examined the progress toward speeding up the production of war housing which was effected by the reorganization of housing agencies and the establishment of the National Housing Agency on February 24, 1942 (see Item 24 and note, this volume).

As requested by the President in the foregoing message, the Congress enacted the necessary legislation (56 Stat. 763) authorizing the appropriation of up to \$1,200,000,000 for war housing under the Lanham Act. This amendment to the Lanham Act was approved by the President on October 1, 1942.

On May 13, 1943, it became necessary to request an additional authorization of \$400,000,000 for further war housing under this legislation (see Item 49 and note, 1943 volume). (See Item 24 and note, this volume, for a detailed account of the war-time housing program under the National Housing Agency and its constituent units.)

57. *Greeting to Yank On Its First Issue*

## 57 ¶ The President Sends a Greeting to *Yank* on the Publication of Its First Issue. May 28, 1942

To you fighting men of our armed forces overseas your Commander in Chief sends greetings in this, the first issue of your own magazine.

In *Yank* you have established a publication which cannot be understood by your enemies. It is inconceivable to them that a soldier should be allowed to express his own thoughts, his ideas, and his opinions. It is inconceivable to them that any soldiers — or any citizens, for that matter — should have any thoughts other than those dictated by their leaders.

But here is the evidence that you have your own ideas, and the intelligence and the humor and the freedom to express them. Every one of you has an individual mission in this war — this greatest and most decisive of all wars. You are not only fighting for your own country and your people — you are, in the larger sense, delegates of freedom.

Upon you and upon your comrades in arms of all the United Nations depend the lives and liberties of all the human race. You bear with you the hopes of all the millions who have suffered under the oppression of the war lords of Germany and Japan. You bear with you the highest aspirations of mankind for a life of peace and decency under God.

All of you well know your own personal stakes in this war: your homes, your families, your free churches, the thousand and one simple, homely little virtues which Americans fought to establish, and which Americans have fought to protect, and which Americans today are fighting to extend and perpetuate throughout this earth.

I hope that for you men of our armed forces this paper will be a link with your families and your friends. As your Commander in Chief, I look forward myself to reading *Yank* — every issue of it — from cover to cover.

*58. Message on Mexican Declaration of War*

**58 ¶A Message to the President of Mexico on  
the Mexican Declaration of War. June 2, 1942**

I HAVE been informed that the United Mexican States has made formal declaration of war on Germany, Italy, and Japan, thereby taking up a battle position alongside other freedom-loving Nations which have been the subject of criminal aggression by these enemies of human liberties. Mexico, too, became the victim of unprovoked attack, and Mexico has, in characteristically resolute and virile fashion, answered this challenge to its dignity and liberty. Once again the Axis tyrants have woefully erred in their appraisal of the temper of a free Nation.

The people of the United States share with me the honor of welcoming Mexico to that community of Nations united in fighting for the preservation of freedom and democracy. At the same time I extend to you on their behalf their deepest sympathy to the families of your countrymen who have already given their lives for our common cause. By our victory and the use we make of it we shall consecrate the memory of their supreme sacrifice.

I take this opportunity to send you my warm personal regards and my appreciation of your many and valuable contributions to our common cause.

His Excellency  
General Manuel Avila Camacho,  
President of the United Mexican States,  
Mexico, D. F.

*59. War with Hungary, Rumania and Bulgaria*

## 59 ¶ The President Asks the Congress to Recognize a State of War Between the United States and Hungary, Rumania, and Bulgaria.

June 2, 1942

*To the Congress:*

THE Governments of Bulgaria, Hungary, and Rumania have declared war against the United States. I realize that the three Governments took this action not upon their own initiative or in response to the wishes of their own peoples but as the instruments of Hitler. These three Governments are now engaged in military activities directed against the United Nations and are planning an extension of these activities.

Therefore, I recommend that the Congress recognize a state of war between the United States and Bulgaria, between the United States and Hungary, and between the United States and Rumania.

*NOTE:* The foregoing message was sent to the Congress when three Axis satellite countries declared war against the United States. Acting on the President's message, the House of Representatives on June 3, 1942, suspended the rules and unanimously passed three joint resolutions embodying separate declarations of war against Hungary, Rumania, and Bulgaria, as requested by the President. The following day, the Senate without de-

bate unanimously passed all three joint resolutions, and the President approved them on June 5, 1942 (56 Stat. 307). On July 17, 1942, the President issued Proclamation No. 2563 formally announcing the existence of a state of war with Hungary, Rumania, and Bulgaria, and promulgating certain wartime regulations regarding aliens from these enemy countries residing in the United States.

*60. Japanese Use of Poison Gas*

**60 ¶ Statement on Japanese Use of Poison Gas.**

**June 5, 1942**

AUTHORITATIVE reports are reaching this Government of the use by Japanese armed forces in various localities of China of poisonous or noxious gases. I desire to make it unmistakably clear that, if Japan persists in this inhuman form of warfare against China or against any other of the United Nations, such action will be regarded by this Government as though taken against the United States, and retaliation in kind and in full measure will be meted out. We shall be prepared to enforce complete retribution. Upon Japan will rest the responsibility.

*NOTE:* See Item 58 and note, 1943 statement warning all of the Axis volume, for a further presidential powers against the use of poison gas.

**61 ¶ The President Accepts the Annual Award  
of *The Churchman*. June 8, 1942**

*My dear Mr. Shipley:*

You and your distinguished associates have given me The Churchman Award for the promotion of good will and understanding among all peoples. I wish I could be with you tonight to accept the award in person and to tell you how deeply I appreciate the honor. It symbolizes a cause that has long been close to my heart and mind: never more so than in this fateful year of destiny for all peoples.

The spiritual liberties of mankind are in jeopardy. Their religious freedom is at stake. The road ahead is dark and perilous. Yet we and our associates in the great alliance of the United Nations are determined to establish a new age of freedom on this earth. We are dedicating all that we have and are to that end. We are fighting in that cause at the side of valiant forces, representing every race and every creed. And with the united help of

## *61. Annual Award of The Churchman*

all free men and of all the great institutions of freedom, of which the churches of the free stand first, we shall create a new world in which there is freedom of worship and utterance, freedom from want and from fear, for all peoples everywhere in the world.

Dr. Guy Emery Shipley

Editor

*The Churchman*

**NOTE:** Among the other recipients of the annual award of *The Churchman* have been Wendell L. Willkie, William Allen White, Bernard M. Baruch, and Madame Chiang Kai-shek.

## 62 ¶ Memoranda on Combined Production and Resources Board and Combined Food Board.

June 9, 1942

*Memorandum to Mr. Donald Nelson:*

IN ORDER to complete the organization needed for the most effective use of the combined resources of the United States and the United Kingdom for the prosecution of the war, there is hereby established a Combined Production and Resources Board.

1. The Board shall consist of the Chairman of the War Production Board, representing the United States, and the Minister of Production, representing the United Kingdom.
2. The Board shall:

- (a) Combine the production programs of the United States and the United Kingdom into a single integrated program, adjusted to the strategic requirements of the war, as indicated to the Board by the Combined Chiefs of Staff, and to all relevant production factors. In this connection, the Board shall take account of the need for maximum utilization of the productive resources available to the United States, the British Commonwealth of Nations, and the United Nations, the need

## *62. Memoranda on Combined Boards*

to reduce demands on shipping to a minimum, and the essential needs of the civilian populations.

(b) In close collaboration with the Combined Chiefs of Staff, assure the continuous adjustment of the combined production program to meet changing military requirements.

3. To this end, the Combined Chiefs of Staff and the Combined Munitions Assignments Board shall keep the Combined Production and Resources Board currently informed concerning military requirements, and the Combined Production and Resources Board shall keep the Combined Chiefs of Staff and the Combined Munitions Assignments Board currently informed concerning the facts and possibilities of production.

4. To facilitate continuous operation, the members of the Board shall each appoint a Deputy; and the Board shall form a combined staff. The Board shall arrange for such conferences among United States and United Kingdom personnel as it may from time to time deem necessary or appropriate to study particular production needs; and utilize the Joint War Production Staff in London, the Combined Raw Materials Board, the Joint Aircraft Committee, and other existing combined or national agencies for war production in such manner and to such extent as it shall deem necessary.

### *Memorandum to Secretary Claude Wickard:*

By virtue of the authority vested in me by the Constitution and as President of the United States, and acting jointly and in full accord with the Prime Minister of Great Britain, I hereby authorize, on the part of the Government of the United States, the creation of a joint Great Britain-United States board to be known as the Combined Food Board.

In order to coordinate further the prosecution of the war effort by obtaining a planned and expeditious utilization of the food resources of the United Nations, there is hereby established a Combined Food Board.

The Board will be composed of the Secretary of Agriculture and of the Head of the British Food Mission who will represent and act under the instruction of the Minister of Food.

## *62. Memoranda on Combined Boards*

The duties of the Board shall be:

To consider, investigate, inquire into, and formulate plans with regard to any question in respect of which the Governments of the U.S.A. and the U.K. have, or may have, a common concern, relating to the supply, production, transportation, disposal, allocation, or distribution, in or to any part of the world, of foods, agricultural materials from which foods are derived, and equipment and non-food materials ancillary to the production of such foods and agricultural materials, and to make recommendations to the Governments of the U.S.A. and the U.K. in respect of any such question.

To work in collaboration with others of the United Nations toward the best utilization of their food resources, and, in collaboration with the interested Nation or Nations, to formulate plans and recommendations for the development, expansion, purchase, or other effective use of their food resources.

The Board shall be entitled to receive from any agency of the Government of the United States and any department of the Government of the United Kingdom any information available to such agency or department relating to any matter with regard to which the Board is competent to make recommendations to those Governments, and in principle, the entire food resources of Great Britain and the United States will be deemed to be in a common pool, about which the fullest information will be interchanged.

**NOTE:** Following the visit of Prime Minister Churchill and leading British War and Navy and administrative officials, who conferred with the President and American staff officials in Washington, D. C., a few weeks after Pearl Harbor, the President and the Prime Minister had announced the establishment of the Munitions Assignments Board, the Combined Raw Materials Board, and the Combined

Shipping Adjustment Board (see Item 11 and note, this volume). The foregoing statement announced the creation of two other important Combined Boards, the Combined Production and Resources Board and the Combined Food Board.

These two were established in order to expand the organization needed for the most effective use of the combined resources of the United States and the United King-

## *62. Memoranda on Combined Boards*

dom for the prosecution of the war.

The Combined Production and Resources Board during the war conducted investigations and made recommendations on such problems as steel production and requirements and the production of spare parts for trucks and locomotives. It maintained subcommittees to investigate the supply and disposition of such items as medical stocks, textiles, and internal-combustion engines. In 1943 and 1944, as the areas liberated by the Allied Nations increased to include North Africa, Sicily, Italy, France, and the Low Countries, the Combined Production and Resources Board shifted its major attention to the supply of coal, textiles, medical items, transportation equipment, and many other articles for relief and rehabilitation. In these functions, the Board worked closely with U.N.R.R.A.

The Combined Food Board made recommendations on the production, processing, storage, purchase, distribution, and use of food items and agricultural products of the United Nations, particularly of Britain and the United States. The majority of the recommendations of the Board were necessitated by international shortages of some particular commodity, most of which arose from the loss of sources of supply to the Axis Nations. Commodity committees of the Board were established for a number of food items in short supply, and these committees made recommen-

dations to the full Board regarding allocations designed to assure equitable distribution of the available supplies. Among the objectives of the Combined Food Board were: coordination of purchases and purchasing policy, increase in the production of certain foodstuffs, and control of food consumption in areas where the greatest shortages existed. The Combined Food Board worked closely with U.N.R.R.A. in arranging civilian supply programs for the liberated areas during both the military and the post-military period.

By invitation of the Governments of the United States and Great Britain, Canada was made an active member of both the Combined Production and Resources Board and the Combined Food Board (see Item 140 and note, 1941 volume, for an account of the establishment and functions of the Joint War Production Committee and other measures of economic cooperation between the United States and Canada).

In addition to the Combined Boards mentioned above, there were a number of other Anglo-American committees and joint Canada-United States committees and joint defense commissions which operated during and after the war as a means of assuring a unified effort among Allied Nations. Among these were the Anglo-American Caribbean Commission (see Item 28 and note, this volume), the blacklist committee in London which cooperated

### *63. Eight Hundred and Thirty-first Press Conference*

with the proclaimed list committee in Washington for the compilation of blacklisted Axis firms (see Item 65 and note, 1941 volume), as well as various inter-Allied committees.

(See Item 128 and note, 1944-1945 volume, for the statement which extended the life of the combined boards, and for the dates of their termination.)

## **63 ¶ The Eight Hundred and Thirty-first Press Conference (Excerpts). June 9, 1942**

*(Progress of war production — Allocation of food — The rubber problem — The gasoline situation.)*

**Q.** Mr. President, is there anything that you can say about the general progress of war production?

**THE PRESIDENT:** No. I don't think so. I might have something to say about it if I had time to work it up for you. I mean it's all right. I can say that on the whole it is getting on very well, but that is not terribly exciting.

**Q.** I was wondering, sir, if it might have reached the point where information would not be so hurtful to the enemy?

**THE PRESIDENT:** I would think that period is coming, and that we are getting to the point where probably we can give a few more details. . . .

**Q.** Mr. President, is there anything you could say or add to the picture possibly of the [Combined] Food Board, such as when you spoke of the lend-lease you spoke of the man next door with the garden hose. This might be this piling up of food in the United Kingdom, and each outfit take what was required, or that we shift it back and forth? Is there anything you could explain about that?

**THE PRESIDENT:** Yes. I would say that on the question of food that will take in production of all of the United Nations, and see where there are certain shortages. Well, those shortages, of course, will have an effect on the other side of the food problem, which is the going without — the rationing of food, or the sending of surpluses from one place to another. It will

### *63. Eight Hundred and Thirty-first Press Conference*

take up the problems of transportation practically all over the world. And by pooling all of our information, and getting totals for all our needs, I am inclined to think that it will give a more correct picture on allocation of food, thereby perhaps in many cases avoiding unnecessary hardships and rationing. [See Item 62 and note, this volume, on the work of the Combined Food Board.]

Q. Think we could break some of our own surpluses, for instance?

THE PRESIDENT: Yes. Yes.

I always think of a story a great many years ago, in 1918. I was staying at a country house in England, to which a number of the British Cabinet had been invited. And they spent all Saturday evening indoctrinating me on all of the terrible hardships that people in England had gone through. They hadn't had this to eat or that to drink, and so forth, for a long, long time. They hadn't had any butter, and they hadn't had any bacon, and so forth. They had to really tighten their belts enormously. And I was being indoctrinated because I was the first "near" Cabinet member to go to the other side in the war.

And the next morning I was late for breakfast, and sat down, and suddenly realized that all the food was on the sideboard, like most British breakfasts. And I went over to it, and the first hot dish I took the cover off was just piled high with bacon. (*Laughter*) So I filled my plate with bacon and sat down. And the hostess said, "What! Only bacon?" I said, "Yes." I said, "You know, at home I have gone without bacon for a year and a half, in order that you good people might have it." (*Laughter*)

There are all kinds of things of that kind where we can get, I think, a more even distribution. We may have to give up some things to other United Nations, and by a general process of distribution on a fair basis with everybody that is concerned in this war. I think everybody will be happier. I think this thing is going to help. . . .

### *63. Eight Hundred and Thirty-first Press Conference*

*Q.* Is there anything on the rubber situation, or shall we wait for a few months on that?

THE PRESIDENT: No. I am trying to get facts on that.

*Q.* Are you making a Fireside Chat on that?

THE PRESIDENT: I have no idea. I suppose there are four or five ways in which I can get certain things to the American public: through the press, through the radio, somebody else's voice, or my own voice. I don't know.

*Q.* The rubber situation ties in with gasoline rationing, of course, does it not?

THE PRESIDENT: In order that there won't be any more pure guesswork, the reason I am asking for a little time to turn around is that no two accounts are identical.

And I think there is one thing that can be said for background, if you like, and that is that the principal problem that is national in its scope — every part of the country — is the rubber problem. That is a problem that involves the whole country.

And one of the first things that I am trying to get hold of — I think we may get something on it in a few days — is the question about how much scrap rubber there is in the United States. And there no two people agree.

Well, it makes an awful lot of difference in the long run as to whether this country has got, in the form of old tires and old rubber lying around, the lowest estimate of the experts, in which case the situation is very serious, or whether the country has got lying around the highest of the experts' estimates, in which case the situation confronting the country, for military purposes, is not so grave.

Now I suppose I have had as much information on what that scrap rubber is as anybody in the world — anybody, in Congress or out, in a column or out. (*Laughter*) And *I don't know*. I don't know who is right. (*Then pointing to himself*) Now here is the greatest expert on it in the United States, and he doesn't know! (*More laughter*)

And I want to find out. And the only way I think that I

### *63. Eight Hundred and Thirty-first Press Conference*

can find out is to start a "Pick-Up-the-Rubber" campaign. And that is what I am working on now: a short, quick, snappy campaign to bring in all the scrap rubber that there is in the United States. And when you get through with it, we will all know. And I can't hazard a guess. Now when that thing is over, we will have complete and answered one of the statistical figures that nobody knows what is right and what is wrong.

*Q.* How long will that take, Mr. President?

**THE PRESIDENT:** Oh, I would like to do it in two weeks.

*Q.* Will it be compulsory?

**THE PRESIDENT:** What?

*Q.* Will it be compulsory or voluntary?

**THE PRESIDENT:** Well, it will be — I don't know. I suppose it will be voluntary, in the sense that if you don't do it — (*here the President paused*) in effect it will be compulsory. (*Laughter*)

Well now, the other part of the story is this. The use of gasoline is, at the present time, only — taken in itself, and only in itself — a problem of the eastern seaboard, because there isn't enough gasoline to go around. That's all. Plenty of gasoline in nearly every other part of the country. So I don't think that we should confuse the rubber problem with the gasoline problem at this time. We know we have to ration gasoline east of the Alleghenies, because there isn't enough to go around.

And then the third thing I think that we can say is that no matter what the circumstance is, no matter whether this "Pick-Up-the-Rubber" campaign brings in the highest estimated amount or not, even then we are going to have a rubber shortage which is going to be so serious all over the country that there won't be enough tires to go around.

And here is just a little piece of advice from the President, and that is: if you have got just four tires on your car, try to make them last just as long as you possibly can, no matter whether you live next to an oil well or not. And there are two ways of doing that, and that is to cut your mileage — I don't

### 63. Eight Hundred and Thirty-first Press Conference

mean essential mileage to get you to work — cut the rest of your mileage at least in half. And second, don't drive fast. That is just a bit of advice. Now I hope we won't have to implement that any other way. That is a hope.

Q. Mr. President, can't we use that? You stated it for background —

THE PRESIDENT: (*interposing*) What?

Q. You stated that originally for background. Couldn't we use that?

THE PRESIDENT: Yes. It isn't off the record. You can put that into your own words.

Q. Can we attribute it to you?

THE PRESIDENT: Yes. I think it's all right. . . .

Q. Mr. President, is there an implication that if this voluntary campaign produces enough rubber there will not be Nationwide gas rationing?

THE PRESIDENT: Well, that is an "if" question. It depends on a lot of things — just one factor, but it is to try to get to the bottom of a very much disputed factor.

Q. Mr. President, will the scrap rubber go to civilian use, or will the Army take it?

THE PRESIDENT: The Government will take it.

Q. Well, it won't help the civilians any if the Army takes it.

THE PRESIDENT: I haven't the foggiest idea. I will take it right there — (*pointing to his heart*) this dreadful person sitting here — dictator, all those other things. I don't know where it is going. . . .

Q. Mr. President, how soon do you think this "Pick-Up-the-Rubber" campaign might get under way?

THE PRESIDENT: I don't know. Pretty soon, I think. I think it is a pretty good idea to strike while the iron's hot, and the Lord knows it's hot now. [See Item 66 and note, this volume, for an account of the scrap rubber drive.]

Q. Mr. President, are we justified in assuming, based on your plea for saving rubber and tires, that there will be no compulsion in that respect until —

#### *64. Roosevelt-Molotov Conversations*

THE PRESIDENT: (*interposing*) I wouldn't assume. I haven't got quite to that point. I am still reading "Chapter One."

Q. (*interposing*) I was just thinking —

THE PRESIDENT: (*continuing*) I don't know how the detective story ends.

Q. (*continuing*) I was just thinking of the reassuring effect that would have on the people down in Texas. (*Laughter*)

VOICES: Thank you, Mr. President. (*More laughter*)

THE PRESIDENT: You did get a story, didn't you?

Q. The girls named your cottage "Shangri-La."

THE PRESIDENT: Lovely.

Q. You wouldn't tell us where it was..

THE PRESIDENT: I might have several. One might be called "Shangri," and the other might be called "La."

(After this press conference, Mr. Early told the press that the gasoline shortage applied not only to the Atlantic coast but also to the Pacific Northwest and certain other geographical areas in the country.)

#### **64 ¶ Statement on Roosevelt-Molotov Conversations. June 11, 1942**

THE People's Commissar of Foreign Affairs of the Union of Soviet Socialist Republics, Mr. V. M. Molotov, following the invitation of the President of the United States of America arrived in Washington on May 29 and was for some time the President's guest. This visit to Washington afforded an opportunity for a friendly exchange of views between the President and his advisers on the one hand and Mr. V. Molotov and his party on the other. Among those who participated in the conversations were the Soviet Ambassador in the United States, Mr. Maxim Litvinov, Mr. Harry Hopkins, Chief of Staff General Marshall, and Commander in Chief of the United States Navy Admiral Ernest J. King, Mr. Cordell Hull, Secretary of State, joined in subsequent conversations on non-military matters.

In the course of the conversations full understanding was

#### *64. Roosevelt-Molotov Conversations*

reached with regard to the urgent tasks of creating a second front in Europe in 1942. In addition, the measures for increasing and speeding up the supplies of planes, tanks, and other kinds of war materials from the United States to the Soviet Union were discussed. Further were discussed the fundamental problems of cooperation of the Soviet Union and the United States in safeguarding peace and security to the freedom-loving peoples after the war. Both sides state with satisfaction the unity of their views on all these questions.

At the conclusion of the visit the President asked Mr. Molotov to inform Mr. Stalin on his behalf that he feels these conversations have been most useful in establishing a basis for fruitful and closer relationship between the two Governments in the pursuit of the common objectives of the United Nations.

**NOTE:** After talks with Churchill in London, Molotov came to the United States at the end of May to discuss with the President arrangements for lend-lease aid to Russia, the possibility of opening a second front, and the military problems facing both Nations. Molotov arrived on May 29 and had his final meeting with the President on June 1. Voluntary censorship was scrupulously observed by White House correspondents during Molotov's stay, inasmuch as Russia had requested that no press notice of his visit be published until after his safe return to Russia. He was known by the code name of "Mr. Brown" while in this country.

At the outset of the talks with Molotov, the President reiterated the fundamental strategy of the war — that defeat of Germany had top priority. Following a review of respective military situations, the

question of the second front was discussed. Molotov stressed the advantages of opening such a front in 1942 before Hitler's forces could be strengthened by the use of the foodstuffs and raw materials of the Ukraine and the oil of the Caucasus, and by the possible weakening of the Red Army. Molotov added that if an Anglo-American invasion were made soon, it might draw forty German divisions from the Russian front and thus might end the war in 1942. Molotov was given to understand that a 1942 second front appeared probable, but that the whole problem of transport craft and the extreme difficulty of convoying ships through to Murmansk and Archangel complicated the picture. In framing the foregoing statement which was released on the Roosevelt-Molotov conversations, Molotov insisted on

## *65. Informal Greeting to Army Guard*

the inclusion of the reference to the second front in 1942.

Various other war and postwar problems were discussed during these conversations, such as the Nazi treatment of Soviet prisoners

of war, Soviet-Turkey relations, Russo-Japanese relations, the German Navy, Finland's position in the war, and communications between the United States and Russia.

## 65 ¶ Informal, Extemporaneous Greeting at a Garden Party for the White House Army Guard.

June 12, 1942

I AM VERY glad to welcome all of you here today, and so is Mrs. Roosevelt. We have seen some of you outside the fence, and we are glad to have you inside the fence as well.

You are a symbol, this small group, of a great many thousands of officers and men of the Army who are guarding the Nation's Capital. I think that perhaps some of you wish that you might have duty that is at least a little more exciting. I wish that I had duty a little nearer the front. And yet somebody has to do this kind of work. You and I among others.

And so I want to congratulate you on a very necessary part of the war, on doing a task with true efficiency. We may be here for a long time, but in the long run we are going to look back on this period of service as something that I think and I hope we can all feel proud of.

And so it has been good to see you. I wish I could come down and have a sandwich and a soft drink with you, but I have got to get back to work.

## 66 ¶ Radio Appeal on the Scrap Rubber Campaign. June 12, 1942

I WANT to talk to you about rubber — about rubber and the war — about rubber and the American people.

When I say rubber I mean rubber. I don't mean gasoline.

## *66. Scrap Rubber Campaign*

Gasoline is a serious problem only in certain sections of the country.

But rubber is a problem everywhere — from one end of the country to the other — in the Mississippi Valley as well as in the East — in the oil country as well as in the corn country or the iron country or the great industrial centers.

Rubber is a problem for this reason — because modern wars cannot be won without rubber and because 92 percent of our normal supply of rubber has been cut off by the Japanese.

That is serious. It would be more serious if we had not built up a stock pile of rubber before the war started: if we were not now building up a great new synthetic rubber industry. That takes time, so we have an immediate need.

Neither the stock pile, nor the synthetic plants which are now being built, nor both together, will be enough to provide for the needs of our great new Army and Navy plus our civilian requirements as they now exist.

The armed services have done what they can. They have eliminated rubber wherever possible. The Army, for example, has had to replace rubber treads with less efficient steel treads on many of its tanks. Army and Navy estimates of use of rubber have had to be curtailed all along the line.

But there is a limit to that.

You and I want the finest and most efficient Army and Navy the world has ever seen — an Army and Navy with the greatest and swiftest striking power. That means rubber — huge quantities of rubber — rubber for trucks and tanks and planes and gun mounts — rubber for gas masks and rubber for landing boats.

But it is not the Army and Navy alone which need rubber. The process of production also needs rubber. We need rubber to get our war workers back and forth to their plants — some of them far from workers' homes. We need rubber to keep our essential goods and supplies moving.

All this adds up to a very serious problem — a problem which is a challenge to the sound judgment of the Government and to the ingenuity of the American people. It is a problem we Americans are laboring to solve — a problem we will solve.

## *66. Scrap Rubber Campaign*

But there is one unknown factor in this problem. We know what our stock pile is. We know what our synthetic capacity will be. But we do not know how much used rubber there is in the country — used rubber which, reclaimed and reprocessed, can be combined with our supplies of new rubber to make those supplies go farther in meeting military and civilian needs.

Specifically, we don't know how much used rubber there is in *your cellar — your barn — your stock room — your garage — your attic.*

There are as many opinions as there are experts, and until we *know* we can't make our plans for the best use of the rubber we have.

The only way to find out is to get the used rubber in where it can stand up and be counted.

And that precisely is what we propose to do.

We are setting aside the two-weeks period from June 15 to June 30 — from 12:01 A.M., June 15, to 12:00 midnight, June 30 — to get the old rubber in.

We have asked the filling station operators — the thousands upon thousands of citizens who operate gas stations and garages from one end of the country to the other — to help. And they have generously and patriotically agreed to help: they and the oil companies which serve them.

They have agreed to take the old rubber in and to pay for it at the standard rate of a penny a pound — an amount which will later be refunded to them by the Government.

I know that I don't need to urge you to take part in this collection drive. All you need to know is the place to take your rubber and the time to take it there — *and* the fact that your country needs it.

We do not want you to turn in essential rubber that you need in your daily life — rubber you will have to replace by buying new things in the store. We do want every bit of rubber you can possibly spare — and in any quantity — less than a pound — many pounds. We want it in every form — old tires, old rubber rain-coats, old garden hose, rubber shoes, bathing caps, gloves — what-

## *66. Scrap Rubber Campaign*

ever you have that is made of rubber. If you think it is rubber, take it to your nearest filling station.

Once the rubber is in, we will know what our supplies of used rubber are and we will make our plans accordingly. One thing you can be sure of — we are going to see to it that there is enough rubber to build the planes to bomb Tokyo and Berlin — enough rubber to build the tanks to crush the enemy wherever we may find him — enough rubber to win this war.

Here are two simple rules for this rubber emergency.

1. Turn in all the old rubber — anywhere and everywhere.
2. Cut the use of your car — save its tires by driving slowly and driving less.

I know the Nation will respond.

*NOTE:* Despite stock piles of crude rubber accumulated before the outbreak of war, there was a serious rubber shortage until 1943. Various Government agencies had already taken steps to stock-pile crude rubber and conserve the Nation's supply (see Item 26 and note, 1941 volume, and references cited therein, for the work of the Office of Price Administration and Civilian Supply; see Item 137 and note, 1941 volume, and references cited therein, for work of the Office of Defense Transportation). In addition, on March 14, 1942, the President had appealed to the various State Governors to conserve rubber by reducing speed limits (see Item 34 and note, this volume). (For a general account of the subsequent rubber program, see Item 79 and note, this volume.)

The scrap rubber collection campaign inaugurated by the foregoing radio appeal of the President was

aimed at collecting not only worn-out tires and tubes, but such items as rubber mats, rubber-soled shoes, old hot-water bottles, jar rings, rain-coats, rubber ash trays, and hundreds of other articles made in whole or in part from rubber. The campaign was directed by the Bureau of Industrial Conservation of the War Production Board, and was conducted in cooperation with the petroleum industry through the Office of the Petroleum Coordinator. By arrangements with the oil industry, 400,000 gasoline stations throughout the country served as collection depots. Rubber items too bulky to be taken to filling stations were picked up by oil company trucks upon request.

In rural areas, the Department of Agriculture County War Boards organized intensive searches of farm lands for discarded rubber items and rubber scrap. Oil delivery

## *67. Office of War Information*

trucks on rural routes picked up the rubber from farm areas.

Between June 15 and June 30, 1942, the dates originally set for the drive, about 300,000 tons of scrap rubber were collected. The President then ordered a ten-day extension of the campaign, thereby enabling a grand total of approximately 450,000 tons to be collected.

Among the principal uses of this reclaimed scrap rubber were the production of lower-grade automobile tires and the recapping of existing tires. Tires recapped with re-

claimed rubber, commonly called "camelback," had approximately 50 percent of the wearing qualities of natural rubber.

The Rubber Reserve Company, a subsidiary of the Reconstruction Finance Corporation, served as the Nation's sole distributor of scrap rubber and also financed the purchasing of scrap rubber. Having established an adequate stock pile of reclaimed rubber, the Government returned the purchase and sale of scrap rubber to private industry on January 1, 1944.

## **67 ¶ The President Establishes the Office of War Information. Executive Order No. 9182.**

**June 13, 1942**

**I**N RECOGNITION of the right of the American people and of all other peoples opposing the Axis aggressors to be truthfully informed about the common war effort, and by virtue of the authority vested in me by the Constitution, by the First War Powers Act, 1941, and as President of the United States and Commander in Chief of the Army and Navy, it is hereby ordered as follows:

1. The following agencies, powers, and duties are transferred and consolidated into an Office of War Information which is hereby established within the Office for Emergency Management in the Executive Office of the President:
  - (a) The Office of Facts and Figures and its powers and duties.
  - (b) The Office of Government Reports and its powers and duties.
  - (c) The powers and duties of the Coordinator of Information relating to the gathering of public information and its dis-

## *67. Office of War Information*

semination abroad, including, but not limited to, all powers and duties now assigned to the Foreign Information Service, Outpost, Publications, and Pictorial Branches of the Coordinator of Information.

(d) The powers and duties of the Division of Information of the Office for Emergency Management relating to the dissemination of general public information on the war effort, except as provided in paragraph 10.

2. At the head of the Office of War Information shall be a Director appointed by the President. The Director shall discharge and perform his functions and duties under the direction and supervision of the President. The Director may exercise his powers, authorities, and duties through such officials or agencies and in such manner as he may determine.

3. There is established within the Office of War Information a Committee on War Information Policy consisting of the Director as Chairman, representatives of the Secretary of State, the Secretary of War, the Secretary of the Navy, the Joint Psychological Warfare Committee, and of the Coordinator of Inter-American Affairs, and such other members as the Director, with the approval of the President, may determine. The Committee on War Information Policy shall formulate basic policies and plans on war information, and shall advise with respect to the development of coordinated war information programs.

4. Consistent with the war information policies of the President and with the foreign policy of the United States, and after consultation with the Committee on War Information Policy, the Director shall perform the following functions and duties:

(a) Formulate and carry out, through the use of press, radio, motion picture, and other facilities, information programs designed to facilitate the development of an informed and intelligent understanding, at home and abroad, of the status and progress of the war effort and of the war policies, activities, and aims of the Government.

(b) Coordinate the war informational activities of all Federal departments and agencies for the purpose of assuring an ac-

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curate and consistent flow of war information to the public and the world at large.

(c) Obtain, study, and analyze information concerning the war effort and advise the agencies concerned with the dissemination of such information as to the most appropriate and effective means of keeping the public adequately and accurately informed.

(d) Review, clear, and approve all proposed radio and motion-picture programs sponsored by Federal departments and agencies; and serve as the central point of clearance and contact for the radio broadcasting and motion-picture industries, respectively, in their relationships with Federal departments and agencies concerning such Government programs.

(e) Maintain liaison with the information agencies of the United Nations for the purpose of relating the Government's informational programs and facilities to those of such Nations.

(f) Perform such other functions and duties relating to war information as the President may from time to time determine.

5. The Director is authorized to issue such directives concerning war information as he may deem necessary or appropriate to carry out the purposes of this Order, and such directives shall be binding upon the several Federal departments and agencies. He may establish by regulation the types and classes of informational programs and releases which shall require clearance and approval by his office prior to dissemination. The Director may require the curtailment or elimination of any Federal information service, program, or release which he deems to be wasteful or not directly related to the prosecution of the war effort.

6. The authority, functions, and duties of the Director shall not extend to the Western Hemisphere exclusive of the United States and Canada.

7. The formulation and carrying out of informational programs relating exclusively to the authorized activities of the several departments and agencies of the Government shall remain

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with such departments and agencies, but such informational programs shall conform to the policies formulated or approved by the Office of War Information. The several departments and agencies of the Government shall make available to the Director, upon his request, such information and data as may be necessary to the performance of his functions and duties.

8. The Director of the Office of War Information and the Director of Censorship shall collaborate in the performance of their respective functions for the purpose of facilitating the prompt and full dissemination of all available information which will not give aid to the enemy.

9. The Director of the Office of War Information and the Defense Communications Board shall collaborate in the performance of their respective functions for the purpose of facilitating the broadcast of war information to the peoples abroad.

10. The functions of the Division of Information of the Office for Emergency Management with respect to the provision of press and publication services relating to the specific activities of the constituent agencies of the Office for Emergency Management are transferred to those constituent agencies respectively, and the Division of Information is accordingly abolished.

11. Within the limits of such funds as may be made available to the Office of War Information, the Director may employ necessary personnel and make provision for the necessary supplies, facilities, and services. He may provide for the internal management and organization of the Office of War Information in such manner as he may determine.

12. All records, contracts, and property (including office equipment) of the several agencies and all records, contracts, and property used primarily in the administration of any powers and duties transferred or consolidated by this Order, and all personnel used in the administration of such agencies, powers, and duties (including officers whose chief duties relate to such administration) are transferred to the Office of War Information, for use in the administration of the agencies, powers, and duties transferred or consolidated by this Order; provided, that any

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personnel transferred to the Office of War Information by this Order, found by the Director of the Office of War Information to be in excess of the personnel necessary for the administration of the powers and duties transferred to the Office of War Information, shall be retransferred under existing procedure to other positions in the Government service, or separated from the service.

13. So much of the unexpended balances of appropriations, allocations, or other funds available for the use of any agency in the exercise of any power or duty transferred or consolidated by this Order or for the use of the head of any agency in the exercise of any power or duty so transferred or consolidated, as the Director of the Bureau of the Budget with the approval of the President shall determine, shall be transferred to the Office of War Information, for use in connection with the exercise of powers or duties so transferred or consolidated. In determining the amount to be transferred, the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer or consolidation.

**NOTE:** The President felt that it was important that there be a co-ordinated and effective wartime information program. His reasons were several: to keep Americans accurately informed on the progress of the war and on governmental war policies; to counteract Axis propaganda which attempted to create disaffection in each Allied country and to drive wedges between the Allies; to furnish countries abroad with accurate news on American developments and to convince them of the solidarity and common aims of the United Nations for victory and for peace.

Before the foregoing Executive

Order was issued, a number of information agencies had been engaged in disseminating war information at home and abroad. One of the key agencies in the distribution of current information had been the Division of Information of the Office for Emergency Management. This Division had evolved directly from the Office of Information Director of the Advisory Commission to the Council of National Defense (see Item 154 and note, 1940 volume). The Division distributed news releases, pictures, posters, and a number of publications covering many aspects of the war production program. Much of

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its work was devoted to interpreting the progress and programs of the Office of Price Administration and of the War Production Board, although the Division also furnished information services for a number of other emergency agencies. In co-operation with the Army, Navy, Maritime Commission, and War Production Board, the Division of Information organized and administered a successful war production drive in the spring of 1942. By using a series of labor-management committees, and with widespread publicity and with individual and plant awards, this drive had really helped to speed up war production.

Other agencies had a role in disseminating war information prior to the issuance of the foregoing Executive Order. The Office of Facts and Figures (see Item 99 and note, 1941 volume) was vested with certain advisory and coordinating functions in planning domestic war information programs. The Office of Government Reports handled press intelligence and public inquiries, and its Director also acted as Coordinator of Government Films. (See Item 125 and note, 1939 volume.)

For the dissemination of war information abroad two agencies had the major responsibility. The Foreign Information Service of the Coordinator of Information (see Item 64 and note, 1941 volume) distributed information by means of posters, pamphlets, short-wave radio broadcasts, and other media

in all parts of the world except Latin America; the Office of the Coordinator of Inter-American Affairs (see Item 72 and note, 1941 volume) engaged in similar activities in relation to the American Republics.

In addition to the information activities of the agencies and services just described, strong information and public relations offices existed within the State, War, and Navy Departments.

The existence of so large a number of war information agencies inevitably resulted in competition for funds, staffs, and spheres of operation. Conflicts arose in our statements at home and abroad; duplications appeared in the coverage of official news; and insufficient attention was devoted to the development of a long-range, planned information policy, rather than a day-to-day dissemination of the news. The fact that the country was on the defensive in the months following Pearl Harbor underscored the undesirable aspects of a multiplicity of information agencies. As a result, the public, the press, and the Government were understandably dissatisfied with the handling of news concerning the progress of the war.

Early in March, 1942, the President turned his concentrated attention to the establishment of a centralized war information agency. He never envisioned the establishment of an organization similar to George Creel's Committee on Public Information, which had central-

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ized control over domestic and foreign information and propaganda, in addition to censorship, during the first World War. The President noted that during the first World War no department or agency of the Government had a large information staff. He felt that it would be creating an unrealistic bottleneck to expect a centralized office such as Creel's to handle the enormously expanded information demands of the war. Nevertheless, he recognized that to avoid confusion and duplication there had to be a unified approach to the general war information function, with decentralization of the details.

He assigned to me the job of co-ordinating the various agencies and consolidating them into one overall information agency. I held many conferences over a period of several months during the spring of 1942. I discussed the subject with the heads of each of the agencies which were being combined. A great many people outside of government who had learned that I was engaged in this activity discussed the question with me. There was in all quarters a desire to coordinate the informational services so that confusion, contradictions, and overlapping would be avoided. Intelligent liberals were vitally interested in the release of truthful and complete reports on the war effort, but there was also a keen realization of the fact that the dissemination of information during war would have

to be governed very strictly by the military needs for secrecy.

There were two big stumbling blocks in working out a plan for information consolidation. One was what to do with the foreign information service functions of the Co-ordinator of Information (General Donovan's organization); and the second was what to do with the information activities of the Co-ordinator of Inter-American Affairs (Nelson Rockefeller's organization). With the help of the Bureau of the Budget, we worked out an order which would transfer both of these activities to a new Office of War Information. The Director of the Bureau of the Budget, Harold D. Smith, and I talked this plan over with the President early in March, but the President wanted to be absolutely sure before ordering the Rockefeller and Donovan transfers, as we suggested.

From March until June, the information order was delayed — first, because the President was preoccupied with decisions of vital military strategy; and second, because Donovan and Rockefeller started a vigorous campaign to keep their organizations intact and separate from the new O.W.I. Rockefeller was eventually successful in this effort because he enlisted the powerful support of Secretary of State Cordell Hull and Undersecretary of State Sumner Welles, both of whom argued convincingly that the close relation between information and other activities in Latin

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America made it more advisable to retain all activities in relation to Latin America in one office.

Under these circumstances, it was extremely difficult to work out a logical plan which would be acceptable. About the middle of May, we had a large White House conference which included Harry Hopkins, Frank Walker, Steve Early, Hull, Welles, Harold Smith, Attorney General Biddle, and myself; at this conference, it was finally decided to leave Rockefeller's organization intact.

There remained the big issues of who should be the director of the new information agency, and what should be done with Donovan's organization. The Writers' War Board, an organization of public-spirited writers, headed by Rex Stout, and others, recommended to me that the news commentator, Elmer Davis, would make a good Director of the new Office of War Information. The President liked the idea, and persuaded Mr. Davis to accept the job as a patriotic duty.

When the Office of War Information was set up by the preceding Executive Order, it became obvious that the Office of Coordinator of Information would have to be reorganized since its foreign information activities were transferred to the Office of War Information. During the course of the establishment of the Office of War Information I had many discussions with General Donovan, who had been the Coordinator of Information. At

one time it seemed likely that in addition to the foreign information service the Coordinator of Information would take on the duties which eventually devolved upon the Office of War Information. However, the decision made by the President was to the contrary. The Coordinator of Information became the Director of the Office of Strategic Services; and the two agencies — the Office of War Information and the Office of Strategic Services — were kept separate, with very different functions (see Item 68 and note, this volume).

The Office of War Information was divided into Domestic and Overseas Branches. Daily meetings were held by the Director of the O.W.I. with Army and Navy officials, resulting in a wider release of military and naval news. Meanwhile, existing activities such as radio programs, films, posters, and other war information publications were greatly expanded under the new organization.

The establishment of the Office of War Information left many unsolved information problems. Although speech clearance of written statements of high executive officials was made a responsibility of the O.W.I., there continued to be uncontrolled conflicts in such statements. The President brought this under a considerable measure of control by his statement released on August 21, 1942 (see Item 84 and note, this volume).

An area of conflict between the

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O.W.I. and the Office of Strategic Services developed late in 1942. The President clarified the respective areas of responsibility through the issuance of Executive Order No. 9312, March 9, 1943 (see Item 27 and note, 1943 volume).

The O.W.I. and its Director, Elmer Davis, soon became a favorite whipping boy of certain Congressmen and newspapers who were hostile to the President. The attacks were as vehement as they were mistaken. Dispassionate historians will surely evaluate the task performed by Mr. Davis and the O.W.I. rightly. It is unfortunate that the agency was required to divert so much of its energies to defending itself against unjustified attacks. It had sufficient energy remaining, however—and sufficient competence, ingenuity, and courage—to play a considerable part in winning the war.

Political opposition in the Congress in the spring of 1943 forced the discontinuance of the production of motion pictures, posters, and pamphlets, and the abolition of the field offices in the Domestic Branch. Despite the fact that the top men in the O.W.I. included a number of well-known Republicans, elements in the Congress and in the press insisted that the O.W.I. was "partisan" in some of its publications. Even printing the picture of President Roosevelt in pamphlets for foreign distribution was called partisan propaganda. Elmer Davis accurately commented in his

final report to the President: "The specimens of our output adduced as evidence to support the charges were ridiculously inconsequential; if we had decided to go in for partisan propaganda, we could have done a lot better than that."

Better tests of the accomplishments of the Office of War Information are available. Its work abroad was praised by our allies, by Generals Marshall, Eisenhower, and MacArthur, and by many Ambassadors and military Commanders. The effectiveness of the Overseas Branch, under the capable and devoted leadership of Robert E. Sherwood, was demonstrated by the frantic attempts made by the enemy propaganda agencies to counteract O.W.I. efforts abroad.

In respect to the domestic aspect of the O.W.I.'s work, a reliable touchstone was the reaction of the press. All but the extremists of the press recognized that Elmer Davis had performed yeoman—and often thankless—service in his constant pressure on the military to release news, and to give the benefit of the doubt to dissemination instead of withholding. During the period of conflict and duplication of Government war information services in the months immediately following Pearl Harbor, the press was hostile to the policy of the Government in withholding what it considered useful-to-the-enemy information. This hostility carried over into the early days of the O.W.I.'s operation. O.W.I. never had a "honeymoon"

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in its initial relations with the press, but it gradually produced a strong confidence in its integrity as the months went by. By the time it was terminated, on August 31, 1945, an overwhelming majority of both Republican and Democratic newspapers and newspapermen — all ex-

cept the most bitterly anti-Administration — agreed that the Office of War Information had done most creditably in informing the country and the world of the progress of the war and America's intentions to lay the foundations of world peace through the United Nations.

### **68 ¶ Military Order Establishing the Office of Strategic Services. June 13, 1942**

BY VIRTUE of the authority vested in me as President of the United States and as Commander in Chief of the Army and Navy of the United States, it is ordered as follows:

1. The office of Coordinator of Information established by Order of July 11, 1941, exclusive of the foreign information activities transferred to the Office of War Information by Executive Order of June 13, 1942, shall hereafter be known as the Office of Strategic Services, and is hereby transferred to the jurisdiction of the United States Joint Chiefs of Staff.

2. The Office of Strategic Services shall perform the following duties:

(a) Collect and analyze such strategic information as may be required by the United States Joint Chiefs of Staff.

(b) Plan and operate such special services as may be directed by the United States Joint Chiefs of Staff.

3. At the head of the Office of Strategic Services shall be a Director of Strategic Services who shall be appointed by the President and who shall perform his duties under the direction and supervision of the United States Joint Chiefs of Staff.

4. William J. Donovan is hereby appointed as Director of Strategic Services.

5. The Order of July 11, 1941, is hereby revoked.

## *68. Office of Strategic Services*

**NOTE:** Perhaps no agency dramatized the complex nature of modern warfare more than the Office of Strategic Services — often called in Washington the “cloak and dagger” agency. Some of its functions, however, were as prosaic and routine as others were melodramatic and vivid. All of its functions were a vital part of the process of winning the war.

By Executive Order No. 9182 on June 13, 1942, the President had established the Office of War Information (see Item 67 and note, this volume), which absorbed the function of supplying information abroad, formerly performed by the Coordinator of Information. The foregoing Military Order established the Office of Strategic Services under the Joint Chiefs of Staff. The functions of the Office of Strategic Services were virtually the same as those of its predecessor, the Coordinator of Information, with the exception of those activities transferred to the Office of War Information (see Item 64 and note, 1941 volume, for an account of the origin and development of the Coordinator of Information).

The O.S.S. expanded and intensified its activities in the fields of secret intelligence, and in the training of individuals and special groups for subversive and espionage purposes, and in placing them behind enemy lines to do their work. Its network of intelligence agents abroad dug out first-hand information on the spot, which was

then brought together and analyzed in Washington by an expert group of economists, geographers, historians, and other technical and regional specialists. These research and analysis specialists prepared evaluations of enemy capabilities and intentions, and political attitudes, using not only the intelligence reports from the field but also all other available documentary and other sources. In cooperation with the Board of Economic Warfare, they prepared comparative analyses of proposed bombing targets for the Army Air Forces in its strategic air offensives against Germany and Japan.

In carrying out its functions, the O.S.S. worked closely with military, naval, and other Allied intelligence agencies, obtained information from foreign underground groups, and cooperated with the F.B.I. and other Government agencies engaged in counter-intelligence. Supporting maps, charts, and intelligence studies were prepared for the use of the Joint Chiefs of Staff and the War and Navy Departments.

In order to create confusion, and to undermine the morale of the enemy, O.S.S. agents organized and supported fifth column activities through the use of trained personnel, false rumors and documents, and outright grants to subversive agents. The conduct of guerrilla warfare was one of the most important aspects of O.S.S. work behind enemy lines.

The O.S.S. with the aid of the

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Office of Scientific Research and Development (see Item 60 and note, 1941 volume) developed special weapons for special operations not carried out by the regular armed forces of the United States.

In consultation with the Department of State, the O.S.S. maintained contact with foreign nationality groups and individuals in the United States for the purpose of obtaining information.

Continuing and expanding the work of C.O.I., the O.S.S. played a considerable part in laying the groundwork for the North African invasion in November, 1942. This was the first major U. S. amphibious landing, and the first American operation of this scale which was supported by clandestine (unorthodox warfare) activities. For over a year prior to the landings, the agents of C.O.I. and O.S.S. had made soundings and reports on the terrain, government, people, and Axis activities in the area. A secret intelligence radio net operated by O.S.S. in this territory for several months prior to the invasion. The Washington office of O.S.S. had carried on research and analysis on the target areas, to assist in planning and conducting operations. To the actual hour of the invasion, O.S.S. agents in North Africa were sending valuable radio reports to the Allied commander, General Eisenhower, in his headquarters across the Mediterranean at Gibraltar. Similar assistance was given in the Normandy operation, the Ital-

ian campaign, the French Resistance movement, and in the China-Burma-India theater.

Early in 1943, the psychological warfare programs of the O.S.S. brought the agency into conflict with the Office of War Information, which had been given the responsibility for the dissemination of foreign information. By Executive Order No. 9312 of March 9, 1943, the President placed full responsibility for foreign propaganda activities in the Office of War Information (see Item 27 and note, 1943 volume). Nevertheless, the O.S.S. retained the responsibility for propaganda activities behind enemy lines.

As the United States took the offensive in all theaters of operation in 1943, the importance of O.S.S. work in the theaters increased. Men were trained in the United States and elsewhere in the customs and language of the foreign country to which they were being sent, and they were schooled in subversive methods. One of these training schools was situated on land contiguous to the secret retreat of President Roosevelt in the Catoctin Mountains of Maryland (referred to by the President as "Shangri-La"). On one occasion, I accompanied the President on a trip over to the school to watch the procedures. I remember the deep concern of the Secret Service over the fact that so many men with access to all kinds of weapons were so close by in the woods adjoining the President's cottage. There was some

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talk about moving them, which the President quickly squelched.

In assessing the capabilities of the many candidates for its work, O.S.S. devised unique methods of measuring such qualities as leadership, emotional stability, initiative, energy, and a whole catalogue of other attributes necessary for successful O.S.S. work. These tests were performed with the assistance of Army and Navy personnel and trained psychologists, psychiatrists, and personnel technicians. The intelligence and stamina of over five thousand potential recruits were rigorously examined at a series of testing grounds in various parts of the country and overseas. The candidates lived with their examiners for an extended period, during which it was possible to size up the candidates, eliminate the unfit, and determine where those who passed might be most useful in the organization. The candidates were taken to the testing area, dressed in Army fatigue clothes and given assumed names. The tests themselves confronted the candidates with a whole series of practical problems — such as the construction of a makeshift building with a few simple tools and materials; in this project two "assistants" had been directed to follow the candidate's instructions explicitly but to frustrate him with obstructions and annoyances. Tests such as these enabled the O.S.S. supervisory personnel to predict with a fair degree of certainty how successfully various individuals would react in

the complex work which they were to perform during actual operations.

Many of these trainees were then dispatched behind enemy lines, where they assisted native underground resistance movements in the destruction of installations and enemy morale. In the organizing and training of resistance groups, in enemy-occupied countries, the O.S.S. supplied them with food, weapons and munitions, and gave direction and guidance to their operations. Many of the O.S.S. operatives worked individually or in small groups, contacting and supplying the local underground movements, spreading discontent among enemy occupying troops, establishing secret radio stations, and sending out valuable intelligence — all of which aided in the organized invasion by our troops.

After North Africa, the invasions of Italy and France proved again the success of the O.S.S. "softening-up" operations. Military and naval commanders came to place high value on these techniques as direct adjuncts to organized operations.

The O.S.S. was particularly effective in planning for the invasion of southern France in August, 1944. Many months before the invasion, agents were parachuted into the area, where they established their contacts with the French resistance groups and laid the groundwork in the same way as they had in North Africa.

After military operations had commenced on the Continent in

### *69. Address on United Flag Day*

1944, the O.S.S. continued to supply weapons and other material to resistance groups behind the lines of the enemy, and to assemble intelligence in advance of our troops. In the later stages of the European war, O.S.S. personnel helped in locating and obtaining evidence against war criminals.

The O.S.S. increased its efforts in the Far East as the war progressed, and established operatives and groups throughout the area. One of the notable accomplishments was the close cooperation established with the Government of Thailand, which in effect became an anti-Japanese resistance group.

Many melodramatic and imaginative tales have been printed and

circulated concerning the "cloak and dagger" exploits of the Office of Strategic Services. The facts are that this organization, under the courageous leadership of General William J. Donovan, expanded the concept of psychological warfare to include sabotage and guerrilla activities; it applied this concept in the preparation of strategic areas for military and naval operations and thus saved many American lives; it made a major contribution to national security by creating, where none had existed before, an effective, wartime strategic intelligence service; and it pointed up the necessity for continuing in peacetime a central intelligence service.

## 69 ¶ A United Nations Prayer — Radio Address on United Flag Day. June 14, 1942

TODAY on Flag Day we celebrate the declaration of the United Nations — that great alliance dedicated to the defeat of our foes and to the establishment of a true peace based on the freedom of man. Today the Republic of Mexico and the Commonwealth of the Philippine Islands join us. We welcome these valiant peoples to the company of those who fight for freedom.

The four freedoms of common humanity are as much elements of man's needs as air and sunlight, bread and salt. Deprive him of all these freedoms and he dies — deprive him of a part of them and a part of him withers. Give them to him in full and abundant measure and he will cross the threshold of a new age, the greatest age of man.

These freedoms are the rights of men of every creed and every race, wherever they live. This is their heritage, long withheld.

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We of the United Nations have the power and the men and the will at last to assure man's heritage.

The belief in the four freedoms of common humanity — the belief in man, created free, in the image of God — is the crucial difference between ourselves and the enemies we face today. In it lies the absolute unity of our alliance, opposed to the oneness of the evil we hate. Here is our strength, the source and promise of victory.

We of the United Nations know that our faith cannot be broken by any man or any force. And we know that there are other millions who in their silent captivity share our belief.

We ask the German people, still dominated by their Nazi whipmasters, whether they would rather have the mechanized hell of Hitler's "New" Order or — in place of that, freedom of speech and religion, freedom from want and from fear.

We ask the Japanese people, trampled by their savage lords of slaughter, whether they would rather continue slavery and blood or — in place of them, freedom of speech and religion, freedom from want and from fear.

We ask the brave, unconquered people of the Nations the Axis invaders have dishonored and despoiled whether they would rather yield to conquerors or — have freedom of speech and religion, freedom from want and from fear.

We know the answer. They know the answer. We know that man, born to freedom in the image of God, will not forever suffer the oppressors' sword. The peoples of the United Nations are taking that sword from the oppressors' hands. With it they will destroy those tyrants. The brazen tyrannies pass. Man marches forward toward the light.

I am going to close by reading you a prayer that has been written for the United Nations on this Day:

"God of the free, we pledge our hearts and lives today to the cause of all free mankind.

"Grant us victory over the tyrants who would enslave all free men and Nations. Grant us faith and understanding to cherish all those who fight for freedom as if they were our brothers. Grant us brotherhood in hope

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and union, not only for the space of this bitter war, but for the days to come which shall and must unite all the children of earth.

"Our earth is but a small star in the great universe. Yet of it we can make, if we choose, a planet unvexed by war, untroubled by hunger or fear, undivided by senseless distinctions of race, color, or theory. Grant us that courage and foreseeing to begin this task today that our children and our children's children may be proud of the name of man.

"The spirit of man has awakened and the soul of man has gone forth. Grant us the wisdom and the vision to comprehend the greatness of man's spirit, that suffers and endures so hugely for a goal beyond his own brief span. Grant us honor for our dead who died in the faith, honor for our living who work and strive for the faith, redemption and security for all captive lands and peoples. Grant us patience with the deluded and pity for the betrayed. And grant us the skill and the valor that shall cleanse the world of oppression and the old base doctrine that the strong must eat the weak because they are strong.

"Yet most of all grant us brotherhood, not only for this day but for all our years — a brotherhood not of words but of acts and deeds. We are all of us children of earth — grant us that simple knowledge. If our brothers are oppressed, then we are oppressed. If they hunger, we hunger. If their freedom is taken away, our freedom is not secure. Grant us a common faith that man shall know bread and peace — that he shall know justice and righteousness, freedom and security, an equal opportunity and an equal chance to do his best, not only in our own lands, but throughout the world. And in that faith let us march, toward the clean world our hands can make. Amen."

## **70 ¶ The President Calls for Total Physical and Moral Fitness in the Nation — Letter to Director of the Office of Defense Health and Welfare Services. June 17, 1942**

*Dear Mr. McNutt:*

FROM every quarter come evidences of our national concern for total physical and moral fitness in this war for survival, fitness for the freedom we cherish. So far as the Federal Government is concerned, I have reports of the recent meeting between the United States Public Health Service and the War Production Board

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looking to a vigorous emphasis on industrial hygiene and health education in the current war production drive.

Cooperation of the Public Health Service and the Department of Labor in accident prevention has been continuous. The Inter-departmental Committee on Venereal Disease has made splendid progress in eliminating from the vicinity of camps and naval stations that major source of infection — the red-light district. The War Production Board is cooperating in the extension of that effort to industrial areas where, incidentally, a major part of military and naval infection is derived.

The Community Facilities Program is rapidly supplying the necessary sanitation and hospital and clinic facilities in the communities surrounding camps and industrial areas. The Procurement and Assignment Service is spreading our medical manpower to serve these new population centers. Our program for the rehabilitation of rejected selectees is rapidly taking form, as well as health education in our schools and other agencies.

But this job depends ultimately upon the people themselves and their moral fiber. Increasingly State and local officials are giving leadership in public health and law enforcement. From religious leaders and responsible citizens come to me, almost daily, expressions of their concern, which they are translating into active local cooperation for total effectiveness. In fact, only good local community organization can meet many of these needs.

I, therefore, call for the united efforts of Government — Federal, State, and local — of business and industry, of the medical profession, of the schools and of the churches; in short, of all citizens, for the establishment of total physical and moral fitness. No one can doubt the objective, or fail to cooperate in the various programs when he understands them. This is one effort in which every man, woman, and child can play his part and share in ultimate victory.

Very sincerely yours,

Hon. Paul V. McNutt

Director,

Office of Defense Health and Welfare Services

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**NOTE:** The Office of Defense Health and Welfare Services was established by the President by Executive Order No. 8890, September 3, 1941 (see Item 86 and note, 1941 volume, for an account of the background and early operation of this Office). By Executive Order No. 9338, which the President issued on April 29, 1943, the name of the Office of Defense Health and Welfare Services was changed to the "Office of Community War Services."

As was the case with its predecessor agencies, the Office of Community War Services was primarily a co-ordinating unit; it operated chiefly through other public and private departments and agencies and through the existing facilities of States and local communities. Upon the request of States and localities, the Office provided the assistance of technical specialists in planning and organizing local activities in the fields of recreation, social protection, day care, and physical fitness.

Toward the end of the war, the work of the Office of Community War Services assumed an added importance as the demobilization of the armed forces and the closing down of war industries and munitions plants caused new community tensions and youth problems. Much of the work which the Committee for Congested Production Areas had previously carried out (see Item 34 and note, 1943 volume) was taken over in congested communities by the Office of Community War Services. For example, the Office as-

sisted a large eastern community in the solution of a series of war-created problems in traffic congestion, overcrowded housing, sewage disposal, unsanitary restaurant conditions, inadequate medical facilities, and increasing rate of venereal disease. The problems in this community were ameliorated, after an initial survey by the Office of Community War Services, by presenting the facts to, and stimulating action by, the War Manpower Commission, the Federal Public Housing Authority, the War Food Administration, the appropriate State Department of Health, and the Children's Bureau.

During the war period, the Office worked in approximately 2,500 communities throughout the country. The Recreation Division of the Office had the responsibility of supervising some 1,700 U.S.O. centers and 1,200 independent servicemen's centers; it assisted the Federal Works Agency to secure widespread and effective use of 454 Federal recreation buildings; it worked with approximately 6,000 industrial plants in providing recreation programs for their employees; it fostered more than 3,000 youth centers for the constructive recreational interests of youth; and it provided a wide variety of recreational services to a number of local communities.

The Social Protection Division of the Office continued the activities of the former Office of Defense Health and Welfare Services in the repression of prostitution and the

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curbing of venereal disease. The Committee on Physical Fitness, initially a part of the Office of Defense Health and Welfare Services, later was transferred to the Office of the Federal Security Administrator, where it functioned until its liquidation on June 30, 1945.

The Office of Community War Services was terminated June 30, 1946, except that the Recreation

Division was continued temporarily in order to carry on its responsibility in relation to the U.S.O. and the recreation buildings which had been erected by the Federal Works Agency. (See Item 8 and note, 1941 volume, for an account of the work of the Federal Works Agency in connection with construction of community facilities under the terms of the Lanham Act.)

## **71 ¶ White House Statement Announcing War Production Figures. June 25, 1942**

WE ORDINARILY do not release production figures because they might give aid and comfort to the enemy. I am going to give today just a few which are definitely going to give the Axis just the opposite of "aid and comfort."

We are well on our way toward achieving the rate of production which will bring us to our goals.

In May, we produced nearly 4,000 planes and over 1,500 tanks. We also produced nearly 2,000 artillery and anti-tank guns. This is exclusive of anti-aircraft guns and guns to be mounted in tanks.

And here is a figure which the Axis will not be very happy to hear — in that one month alone we produced over 50,000 machine guns of all types — including infantry, aircraft, and anti-aircraft. That does not include sub-machine guns. If we add those in, the total is well over 100,000. All these figures are only for one single month.

While these figures give you some idea of our production accomplishments, this is no time for the American people to get overconfident. We can't rest on our oars. We need more and more, and we will make more and more. And we must also remember that there are plenty of serious production problems

## *72. Statement on Roosevelt-Churchill Conferences*

ahead — particularly some serious shortages in raw materials, which are receiving the closest consideration of the Government and industry.

**NOTE:** For an account of the establishment and functions of the War Production Board, and final statistics on the American war pro-

duction effort, see Item 9 and note, this volume, and references cited therein.

## **72 ¶Joint Statement of President Roosevelt and Prime Minister Churchill on Their Conferences. June 27, 1942**

THE week of conferences between the President and the Prime Minister covered very fully all of the major problems of the war which is conducted by the United Nations on every continent and in every sea.

We have taken full cognizance of our disadvantages as well as our advantages. We do not underrate the task.

We have conducted our conferences with the full knowledge of the power and resourcefulness of our enemies.

In the matter of the production of munitions of all kinds, the survey gives on the whole an optimistic picture. The previously planned monthly output has not reached the maximum but is fast approaching it on schedule.

Because of the wide extension of the war to all parts of the world, transportation of the fighting forces, together with the transportation of munitions of war and supplies, still constitutes the major problem of the United Nations.

While submarine warfare on the part of the Axis continues to take heavy toll of cargo ships, the actual production of new tonnage is greatly increasing month by month. It is hoped that as a result of the steps planned at this conference the respective navies will further reduce the toll of merchant shipping.

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The United Nations have never been in such hearty and detailed agreement on plans for winning the war as they are today.

We recognize and applaud the Russian resistance to the main attack being made by Germany and we rejoice in the magnificent resistance of the Chinese Army. Detailed discussions were held with our military advisers on methods to be adopted against Japan and the relief of China.

While exact plans, for obvious reasons, cannot be disclosed, it can be said that the coming operations which were discussed in detail at our Washington conferences, between ourselves and our respective military advisers, will divert German strength from the attack on Russia.

The Prime Minister and the President have met twice before, first in August, 1941, and again in December, 1941. There is no doubt in their minds that the over-all picture is more favorable to victory than it was either in August or December of last year.

**NOTE:** Six months after the Arcadia Conference in Washington following Pearl Harbor, Prime Minister Churchill with his military and naval advisers again came to the United States for further conferences with the President and the American staffs. At the time of this third wartime meeting, the fortunes of the Allies were very low. The Nazi armies were knocking at the gates of Sevastopol and were threatening the Caucasus; in Libya, Rommel was pushing the British eastward; Japan's sphere of conquest extended eastward more than half-way across the Pacific, southward virtually to Australia, and westward to the mountains of the India-Burma front. At sea, the German submarine warfare was taking a heavy toll on Allied shipping, and on land there appeared a possibility

that the twin drives of Germany and Japan might link up in Asia and bring new woes to the embattled United Nations.

Churchill first visited the President at Hyde Park on June 20, and that evening left with the President and Harry Hopkins by train for Washington. Several days of steady conferences followed, with the military situation getting worse. The most shocking news received during Churchill's stay was that Tobruk had fallen on June 21, after Rommel had inflicted a disastrous defeat on British armored forces in Libya. Rommel appeared to have almost a clear path to Cairo and Alexandria, and thence into the Middle East, with only the line at El Alamein held by the British. These sudden developments hung like a cloud over the deliberations

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in Washington, and turned Churchill's visit into a discussion of immediate measures as well as the hammering out of long-term strategy.

One of the first stopgap measures which the President authorized under these circumstances was to rush shipments of Sherman tanks around Africa to the Red Sea to the aid of the beleaguered British forces. In order to furnish munitions and supplies in an effort to stem the Nazi onslaught, speedy revision had to be made in shipping and allocation schedules. Within a fortnight of Churchill's departure, the President intervened directly with Stalin to divert to the British, in their critical hour, the shipment of forty A-20 light bombers from Basra, where they were en route to the Russian front.

When Churchill first arrived at Hyde Park on June 20, he pointed out the extreme dangers of a limited cross-Channel operation in the fall of 1942, which if unsuccessful would endanger the main operation in 1943 and expose the French people to Nazi vengeance. As noted above, the shock of the British defeat in Libya occurred the day after Churchill arrived in the United States, and this served to renew the discussion of a possible landing in North Africa in the fall of 1942 instead of a limited operation across

the English Channel. A final decision in favor of the North African operation was not reached until after the President had sent Harry Hopkins, General Marshall, and Admiral King to London for additional conferences with the British in July, 1942.

During the initial discussions at Hyde Park, the President and Churchill also talked about American and British progress on the fission of uranium. The conversations were confined to problems of interchange of information on experiments, and the extent to which both countries' scientists had advanced (see note to Item 60, 1941 volume, for an account of the President's role in atomic development).

Churchill's visit in the United States was cut short by the domestic political situation in England, as the House of Commons was anxious to quiz him on recent military reverses. The British Prime Minister left Washington on the evening of June 25, after a six-day stay in the United States, and made the return trip to England by airplane from Baltimore, Maryland.

The next conference between the President and Churchill took place at Casablanca in January, 1943 (see Items 6, 7, and 10 and notes, 1943 volume).

*73. Military Commission to Try Nazi Saboteurs*

**73 ¶ The President by Order Establishes a Military Commission to Try Eight Captured German Saboteurs and Issues a Proclamation Denying Certain Enemies Access to the Courts. Proclamation No. 2561. July 2, 1942**

*The Military Order:*

BY VIRTUE of the authority vested in me as President and as Commander in Chief of the Army and Navy, under the Constitution and statutes of the United States, and more particularly the Thirty-eighth Article of War (U. S. C. Title 10, Sec. 1509), I, Franklin Delano Roosevelt, do hereby appoint as a Military Commission the following persons:

Major General Frank R. McCoy, President  
Major General Walter S. Grant  
Major General Blanton Winship  
Major General Lorenzo D. Gasser  
Brigadier General Guy V. Henry  
Brigadier General John T. Lewis  
Brigadier General John T. Kennedy

The prosecution shall be conducted by the Attorney General and the Judge Advocate General. The defense counsel shall be Colonel Cassius M. Dowell and Colonel Kenneth Royall.

The Military Commission shall meet in Washington, D. C., on July 8th, 1942 or as soon thereafter as is practicable, to try for offenses against the Law of War and the Articles of War, the following persons:

Ernest Peter Burger  
George John Dasch  
Herbert Hans Haupt  
Henry Harm Heinck  
Edward John Kerling

### *73. Military Commission to Try Nazi Saboteurs*

Hermann Otto Neubauer

Richard Quirin

Werner Thiel

The Commission shall have power to and shall, as occasion requires, make such rules for the conduct of the proceedings, consistent with the powers of Military Commissions under the Articles of War, as it shall deem necessary for a full and fair trial of the matters before it. Such evidence shall be admitted as would, in the opinion of the President of the Commission, have probative value to a reasonable man. The concurrence of at least two-thirds of the Members of the Commission present shall be necessary for a conviction or sentence. The record of the trial including any judgment or sentence shall be transmitted directly to me for my action thereon.

#### *The Proclamation:*

WHEREAS, the safety of the United States demands that all enemies who have entered upon the territory of the United States as part of an invasion or predatory incursion, or who have entered in order to commit sabotage, espionage, or other hostile or warlike acts, should be promptly tried in accordance with the Law of War;

Now, THEREFORE, I, Franklin D. Roosevelt, President of the United States of America and Commander in Chief of the Army and Navy of the United States, by virtue of the authority vested in me by the Constitution and the statutes of the United States do hereby proclaim that all persons who are subjects, citizens, or residents of any Nation at war with the United States or who give obedience to or act under the direction of any such Nation and who during time of war enter or attempt to enter the United States or any territory or possession thereof, through coastal or boundary defenses, and are charged with committing or attempting or preparing to commit sabotage, espionage, hostile or warlike acts, or violations of the law or war, shall be subject to the law of war and to the jurisdiction of military tribunals; and that such persons shall not be privileged to seek any remedy or main-

### *73. Military Commission to Try Nazi Saboteurs*

tain any proceeding, directly or indirectly, or to have any such remedy or proceeding sought on their behalf, in the courts of the United States, or of its States, territories, and possessions, except under such regulations as the Attorney General, with the approval of the Secretary of War, may from time to time prescribe.

**NOTE:** During June, 1942, eight Nazi saboteurs were landed from submarines off the coasts of Long Island and Florida. They all discarded their military clothes, and proceeded inland in civilian clothes. Federal Bureau of Investigation agents picked up all eight men, and, by the foregoing proclamation, the President directed that they be tried for offenses against the law of war and the Articles of War.

The United States Supreme Court reviewed and denied the contention made by the defendants that the President was without power to order the petitioners to be tried by a military tribunal for the offense with which they were charged.

When the Military Commission had completed its hearing and rendered its judgment of the death penalty, the President turned the

thick file of testimony and judgment over to me for review and recommendation. I worked over the evidence and recommendations of the Military Commission almost continuously for two days before discussing them with the President. I then went over the record with him fully and in detail.

On August 8, 1942, the President announced that he had affirmed the finding of the Military Commission that all of the prisoners were guilty. The President, however, commuted the sentence of two of the prisoners because of their assistance to the United States Government in the apprehension and conviction of the others. One of the two was ordered by the President confined at hard labor for life, and the other for thirty years. The other six saboteurs were electrocuted on August 8, 1942.

*74. Shipping Space for Donations to Britain*

**74 ¶ Exchange of Letters Between the President and Prime Minister Churchill on Shipping Space for Private Donations to Britain. July 9, 1942**

*My dear Mr. Prime Minister:*

I HAVE received your letter of June 14, 1942, in which you express the gratitude of the British people for the vast stream of gifts which from the first days of the war has been flowing from America to Great Britain for the relief of suffering. You ask that this expression be conveyed to the American public.

You say also that this flow of material must be diminished due to additional demands on shipping and that it will be necessary to assign to goods of a more warlike character the shipping space which has hitherto been available for the relief of the British people. You state further that the American Gifts Committee in Great Britain, which hitherto has endeavored to insure that gifts from America shall meet some real need, will now try to control the actual volume of gifts.

I am gratified by your statement that the relief sent from this country has given comfort to the British people during their days of great trial, and I shall give to the American people your expression of appreciation for the gifts they have provided. I am convinced that their action is indicative of the profound admiration felt in this country for the heroic stand of the British people against a barbarous foe.

You may be assured that we shall cooperate in every feasible way with the American Gifts Committee in order to meet the situation brought about by the increased demand for shipping.

Very sincerely yours,

*My dear Mr. President:*

For a long time I have watched with grateful admiration the vast stream of gifts which from the first days of the war has been flowing from America to Great Britain for the relief of suffering

#### *74. Shipping Space for Donations to Britain*

and the succour of distress, and in a volume which has barely lessened as a result of the advent of war to America, though a considerable diminution of it was well to be expected.

The generosity of these gifts, each one of which represents a personal sacrifice by an individual is overwhelming and without precedent. I am therefore anxious in the first place to express to you, Mr. President, the profound gratitude of the British people, and shall be glad if there is some way in which you may see fit to pass my feelings along to the American public.

My second purpose in addressing you is unhappily one of informing you that we now feel under the necessity of asking that this brotherly flow of material shall be diminished. It is not that the gifts are not desired — indeed, they have constantly been ingeniously devised to meet our real needs and the parcels from America have become a familiar and welcome feature in all the misfortunes which have overtaken our civilian population. The request which I am now compelled to make is due to additional demands on shipping resulting from the enormously increased flow of war materials for which ocean transport has to be provided. We shall have, therefore, to assign to goods of a more war-like character the shipping space which has hitherto been available for the relief of our people — a sacrifice which we will make here without complaint, but not without very great regret.

As to the method of procedure, we have a committee here — the American Gifts Committee — which hitherto has endeavoured to insure that gifts from America shall only be of a character that shall meet some real need. The committee will now have to extend its activities and try to control the actual volume of gifts. A statement will shortly be issued to the press indicating the lines along which it is hoped to proceed.

I cannot conclude this letter, Mr. President, without affirming once again our gratitude for the comfort in days of suffering and of trial that was brought to us by the people of America, and our desire to make known our thanks.

Yours sincerely,

WINSTON S. CHURCHILL

75. *Eight Hundred and Thirty-sixth Press Conference*

75 ¶ The Eight Hundred and Thirty-sixth Press Conference (Excerpts). July 21, 1942

(*Admiral Leahy's appointment — Scrap rubber campaign — Secretary Hull's speech — Second front.*)

THE PRESIDENT: I actually have something today.

Number one: Admiral Leahy has been ordered to active duty, and to be Chief of Staff to the Commander in Chief. He takes on the duties immediately.

Then number two: I have here the report of William R. Boyd, Jr., Chairman of the Petroleum Industry War Council, the gist of which is that they have collected during this scrap rubber drive 454,155 tons of scrap rubber, which is a net addition to the Government's stock pile. I only just got it this minute.

Number three: The Secretary of State [Cordell Hull] was in this morning, and I went over with him a speech which he is going to deliver on the air, I hope in the next two or three days, on the general subject of the seriousness of the war, what the winning of the war means, what victory will mean to human security, and liberty, and civilization, including the seriousness of all that those things mean to every man, woman, and child, not only in this country but throughout the world.

And he showed me the draft of what he is going to say, and all I can say is that it is a very able and conclusive summary of the present world situation. And as I say, that will be delivered in the course of the next two or three days.

Q. Mr. President, can you tell us what the scope of Admiral Leahy's position will be?

THE PRESIDENT: Chief of Staff. I think that's all that's necessary.

Q. Will he have the staff of the Army, Navy, and Air also under him?

THE PRESIDENT: I haven't got the foggiest idea; and it has nothing to do with the "price of eggs." . . .

75. *Eight Hundred and Thirty-sixth Press Conference*

*Q.* Mr. President, what can we do to relieve some of this German pressure on Russia?

**THE PRESIDENT:** I wouldn't tell you if I—I wouldn't say if I could. I won't tell you. Obviously, the question shouldn't be asked or answered.

*Q. (interposing)* Mr. President, do you plan to freeze wages?

**THE PRESIDENT:** No. . . .

*Q.* Mr. President, now that they have got this rubber, what are they going to do with it?

**THE PRESIDENT:** Use it. (*Laughter*)

*Q.* Mr. President, does the appointment of Admiral Leahy as Chief of Staff to the Commander in Chief mean that the Commander in Chief will take a more active direction of the strategic conduct of the war?

**THE PRESIDENT:** That will be almost impossible. (*Laughter*)

*Q.* Could you tell us any more about the Admiral's duties as Chief of Staff to the Commander in Chief?

**THE PRESIDENT:** Well, put it this way: whatever's necessary from the point of view of the Commander in Chief. Now, as a matter of fact, I wouldn't go guessing around about things, in assigning more importance to this than it really deserves.

The reason I answered the other question that way was that, of course, I do spend an awful lot of time on it, from the American point of view. And at the same time, in so doing, there are all kinds of things that I have to read, all kinds of opinions that I have to get, and do get, and it takes a very long time. It takes a great deal of time, which after a pretty careful survey for seven months, I should say I should be helped to save, by somebody else doing an awful lot of leg-work, and indexing work, and summarizing work, and at the same time somebody in whose judgment I have got a good deal of real confidence. And it is going to save me a great many hours of work and all kinds of tasks — instead of doing them myself, finding out about things — if I can get somebody else to do the leg-work. . . .

*Q.* Mr. President, isn't that a rather unprecedented position?

## 75. Eight Hundred and Thirty-sixth Press Conference

Will that require Senate confirmation of the appointment, or is it purely in your executive —

THE PRESIDENT: (*interposing*) No. An order — an order to duty. Just a naval order, that's all.

Q. He will definitely be Chief of Staff —

THE PRESIDENT: (*interposing*) To the Commander in Chief. (*Laughter*)

Q. Yes, sir.

Q. Of the Army and Navy, Mr. President?

THE PRESIDENT: No. To the Commander in Chief. (*More laughter*)

Q. (*aside*) Getting nowhere fast.

THE PRESIDENT: You see, the Army has a Chief of Staff of the Army, and the Navy has the equivalent Chief of Operations of the Navy, which is practically the same thing as the Chief of Staff.

Q. Mr. President, you attached an "if" a while ago to the remark about — if anything would be said it will be said in a Message to Congress soon.

THE PRESIDENT: (*interjecting*) Yes.

Q. (*continuing*) Can we definitely count on that Message in the next few days?

THE PRESIDENT: I hope so. I hope so.

Q. Do you expect to see the Congressional leaders tomorrow on that subject, Mr. President?

THE PRESIDENT: I don't know yet. I haven't worked out the schedule. Some of them, maybe.

Q. Mr. President, is this going to be confined to the one subject, or is this going to be a cover-all on the problems involved in the war picture now?

THE PRESIDENT: You mean this Congressional Message?

Q. The Message, yes.

THE PRESIDENT: Well, it will relate to what I described on — back — Oh, what was it? — the twenty-seventh of April — domestically, as one of the very great essentials in the war, to

## *76. Admiral Leahy Appointed Chief of Staff*

keep a thumb on the cost of living, because that goes into every home and every club in the country.

Q. Well, I meant you aren't going to make this a general discussion of the war picture?

THE PRESIDENT: Oh, no. Oh, no. This is the principal domestic problem in carrying on the war. Of course a lot of other things are dependent on it, that's true. This is the first real essential.

Q. Mr. President, is there anything you could tell us about Mr. [Lauchlin] Currie's visit to China?

THE PRESIDENT: The second one. (*Laughter*) That's about all I can say.

Q. (*aside*) Let's go.

VOICES: Thank you, Mr. President.

THE PRESIDENT: I gave you plenty today.

*NOTE:* See Item 76 and note, this volume, for a discussion of Admiral Leahy's duties as Chief of Staff to

the Commander in Chief of the Army and Navy.

## 76 ¶ The President Appoints Admiral Leahy to the New Post of Chief of Staff to the Commander in Chief. July 24, 1942

*My dear Admiral:*

IN CALLING you to active duty as Chief of Staff to the Commander in Chief of the United States Army and Navy, I accept your resignation as Ambassador to France.

In so doing I want you to know first of all of my great satisfaction in the way in which you have carried out an extremely difficult task at an extremely difficult time and, second, that there has been such good agreement in our national policy in respect to France during your Ambassadorship.

In the words of the Navy—“well done.”

Always sincerely your friend,

## *76. Admiral Leahy Appointed Chief of Staff*

**NOTE:** In December, 1940, the President had named Admiral Leahy, formerly Chief of Naval Operations, as Ambassador to France. Some of the major objectives of Admiral Leahy's mission in France were: to keep the French fleet from Nazi control; to attempt to persuade Marshal Pétain to refrain from collaborating openly and actively with Germany; and to establish a "listening post" for the purpose of keeping this Government advised of developments at Vichy (see Item 41 and note, 1941 volume, for an account of the work of Admiral Leahy as Ambassador to France).

Even before Pearl Harbor it had become apparent that the spineless surrender of the Vichy authorities to Nazi requests made it of little constructive use to maintain Admiral Leahy as Ambassador to France. Early in 1942 this situation became more acute as evidence reached the President that the Vichy Government was shipping trucks and supplies for the use of Axis forces in Libya. In February, 1942, the President sent a sharp warning to Marshal Pétain, pointing out that the continued supplying of Rommel's forces was clearly not justified by the terms of the French armistice. The President then bluntly informed Marshal Pétain that unless the Vichy Government gave official assurances that no military aid or assistance of French ships would be given the Axis in any war theater, Admiral

Leahy would be recalled to the United States for consultation. Despite additional correspondence with the Vichy Government, and direct protests by Admiral Leahy, the Vichy attitude remained unchanged, so Admiral Leahy asked that he be recalled.

Upon his subsequent resignation as Ambassador to France, he was then assigned by the President as Chief of Staff to the Commander in Chief of the Army and Navy. This was an office created by President Roosevelt, unprecedented in American history.

The general duty of this first Chief of Staff to the President was to preside as senior member at meetings of the Joint Chiefs of Staff and the Combined Chiefs of Staff. The Combined Chiefs of Staff included representatives of the British Chiefs of Staff. Representatives of the British Chiefs in Washington at that time were Field Marshal Sir John Dill, Admiral of the Fleet Sir Andrew Cunningham, Lieutenant General G. N. Macready, and Air Marshal D. C. Evill, R.A.F. Other members of the American Joint Chiefs of Staff were General George C. Marshall (Chief of Staff of the Army), Admiral E. J. King (Chief of Naval Operations), and General H. H. Arnold (Commanding General of the Army Air Forces).

The President considered it desirable to designate a personal representative as a member of the Joint and Combined Staffs in order that

## *77. War Relief Control Board*

he might be assured of full daily information on the progress of the Allied war effort and have available ready means to exercise his constitutional authority on the strategical and tactical employment of the forces under his command. The President held daily conferences with Admiral Leahy to bring his knowledge of details of the changing military situation up to date and to transmit to the Chiefs of Staff his views and orders relating to Allied strategy and the tactical employment of forces under American command. These meetings usually took place every morning. They followed the morning conference which the President held with his White House staff. Many is the morning that, as we left the President's room, we saw the Admiral come in with his dispatches. Some-

times the news was good, sometimes bad. But you could never tell which it was by the facial expression of the dignified, courtly old sea dog.

The President had his Chief of Staff accompany him to all the Big Four conferences with the Chiefs of Allied Governments — Stalin, Churchill, and Chiang Kai-shek. The President recognized the desirability of having available another fully informed officer to assist in preserving in memory details of all these high-level political conferences. After the President died, President Truman continued Admiral Leahy in the same position, and the continuity furnished in this way in the conduct of war and foreign affairs was of great help to President Truman. Admiral Leahy retired, effective March 21, 1949.

## **77 ¶ Establishment of the President's War Relief Control Board. Executive Order No. 9205.**

**July 25, 1942**

**BY VIRTUE** of the authority vested in me by the Constitution and statutes of the United States, as President of the United States of America and Commander in Chief of the Army and Navy, because of emergencies affecting the national security and defense, and for the purpose of controlling in the public interest charities for foreign and domestic relief, rehabilitation, reconstruction, and welfare arising from war-created needs, it is hereby ordered as follows:

1. The President's Committee on War Relief Agencies, ap-

## *77. War Relief Control Board*

pointed by me on March 13, 1941, is hereby continued and established as the President's War Relief Control Board, hereinafter referred to as the Board. The Chairman of the Board shall be responsible to the President.

2. The Board is hereby authorized and empowered —
  - (a) To control, in the interest of the furtherance of the war purpose, all solicitations, sales of, or offers to sell merchandise or services, collections and receipts, and distribution or disposition of funds and contributions in kind for the direct or implied purpose of (1) charities for foreign and domestic relief, rehabilitation, reconstruction, and welfare arising from war-created needs in the United States or in foreign countries, (2) refugee relief, (3) the relief of the civilian population of the United States affected by enemy action, or (4) the relief and welfare of the armed forces of the United States or of their dependents; *Provided*, that the powers herein conferred shall apply only to activities concerned directly with war relief and welfare purposes and shall not extend to local charitable activities of a normal and usual character nor in any case to intra-state activities other than those immediately affecting the war effort;
  - (b) (1) To provide for the registration or licensing of persons or agencies engaged in such activities and for the renewal or cancellation of such registration or licenses; (2) to regulate and coordinate the times and amounts of fund-raising appeals; (3) to define and promulgate ethical standards of solicitation and collection of funds and contributions in kind; (4) to require accounts of receipts and expenditures duly and reliably audited, and such other records and reports as the Board may deem to be in the public interest; (5) to eliminate or merge such agencies in the interests of efficiency and economy; and (6) to take such steps as may be necessary for the protection of essential local charities; and
  - (c) To prescribe such rules and regulations not inconsistent with law as the Board may determine to be necessary or desirable to carry out the purposes of this Order.

## *77. War Relief Control Board*

3. The provisions of section 2 of this Order shall not apply to (a) the American National Red Cross or (b) established religious bodies which are not independently carrying out any of the activities specified in section 2 of this Order.

4. Under the authority given me by Section 13 of the Joint Resolution of Congress approved November 4, 1939 (54 Stat. 8, 11) and Title I of the First War Powers Act, 1941, approved December 18, 1941 (Public Law No. 354, 77th Congress), and pursuant to the suggestion of the Secretary of State, it is ordered that the administration of any and all of the provisions of Section 8 (b) of the said Joint Resolution relating to the solicitation and collection of funds and contributions for relief purposes, heretofore by me vested in the Secretary of State, be and it hereby is transferred to the said Board. All rules and regulations and forms which have been issued by the Secretary of State pursuant to the provisions of said Section 8 (b) and which are in effect shall continue in effect until modified, superseded, revoked, or repealed by the Board.

5. Any and all matters within the jurisdiction of said Board which may be affected with a question relating to the foreign policy of the Government of the United States in connection with the administration of the powers vested in the Board by this Order shall be determined only after conference with the Secretary of State, to the end that any action with respect to such matters shall be consistent with the foreign policy of the United States.

6. For the purpose of economy in administration, the Board is authorized to utilize the services of available and appropriate personnel of the Department of State and other Government departments and agencies and such other services, equipment, and facilities as may be made available by these departments and agencies.

7. For the purpose of effectively carrying out the provisions of this Order, the Board may require that all war relief and welfare policies, plans, programs, procedures, and methods of voluntary agencies be coordinated and integrated with those of the several Federal departments, establishments, and agencies and

## *77. War Relief Control Board*

the American Red Cross; and all these organizations shall furnish from time to time such information as the Board may consider necessary for such purposes.

8. The Board shall from time to time submit to the President such reports and recommendations regarding war charities, relief, and welfare in foreign countries and in the United States and the relationship of public and private organizations, resources, and programs in these and related fields, as the public interest may require.

9. The members of the Board shall serve as such without compensation, but shall be entitled to necessary transportation, subsistence, and other expenses incident to the performance of their duties.

10. This Order shall remain in force during the continuance of the present war and for six months after the termination thereof, unless revoked by Presidential order.

**NOTE:** The precursor of the President's War Relief Control Board, established by the foregoing Executive Order, was the President's Committee on War Relief Agencies (see Item 16 and note, 1941 volume), which had been appointed on March 13, 1941. The immediate background of the President's War Relief Control Board is summarized in the following letter from the Secretary of State to the President:

"The Department of State  
Washington, D. C.

July 16, 1942

*"My dear Mr. President:*

"On March 3, 1941, I wrote you suggesting that you appoint a committee to examine the entire problem of private relief activities in the United States and to make recommendations to you as to what steps might be taken to preserve local and essential welfare

services and to maintain a balance between the facilities and resources available for foreign war relief, the program of the American Red Cross, and the financing of new relief and welfare activities in connection with our own national defense measures.

"The President's Committee on War Relief Agencies was appointed by you on March 13, 1941, with Mr. Joseph E. Davies as Chairman. The inquiry contemplated was effectively and thoroughly carried out by the Committee under Mr. Davies' direction and a report with recommendations was submitted to you and issued on October 4, 1941.

"Shortly thereafter the United States entered the war and the problems of relief and welfare both at home and abroad were materially expanded.

"As a consequence of the war many additional private agencies have come into existence for the purpose of providing relief and welfare services to the members of our own armed forces and to our civilian population. The prob-

## *77. War Relief Control Board*

lems mentioned in my original letter have become more complicated and involved so that now the matter of domestic relief assumes an enormously increased magnitude and importance while the question of foreign relief has proportionately diminished. As there is no actual control over the solicitation and collection of funds for domestic relief and as it is such a predominant part of the whole picture, I am of the opinion that it would be in the best interests of the country if there be instituted coordination and regulation of all the agencies engaged in those relief activities. If that should be arranged, it would seem logical that the diminishing activities in foreign relief be included.

"Consequently, in the light of this situation and with particular reference to the needs of the Government's own war-financing problems, I now suggest that it would be in the public interest to designate the present Committee with such authority and supplementation as you may deem wise, or such other agency or agencies as you might choose, to correlate effectively the solicitation and collection of funds for domestic as well as for foreign relief and to control the agencies engaged therein, except the Red Cross. It would be accepted that as regards the regulations to be issued and the collection of funds intended for foreign relief the agency designated would confer with the Secretary of State; and it is understood that the expenditure of funds on account of foreign relief and matters of policy affecting the foreign relief pertain to the conduct of the foreign relations of the United States and are within the jurisdiction of the Secretary of State.

Faithfully yours,  
CORDELL HULL

The President,  
The White House"

The President's Committee on War Relief Agencies had had no enforcement powers. Yet it was successful, during its sixteen months of operation, in providing a measure of integration among the private foreign relief agencies and reducing the number of such agencies from 700 to 300. It lacked the regulatory authority to eliminate duplication, confusion, and waste resulting from the excessive number of relief agencies soliciting the public for contributions. The foregoing Executive Order provided this authority. The Board was authorized to control all the domestic and foreign war relief activities, except only those of the American Red Cross.

Under the Executive Order, the Board issued regulations which provided for the registration, reporting, and auditing of the various relief agencies. By means of these reports and audits, it was able to identify those agencies which expended an excessive proportion of contributions on overhead costs. The Board had power to revoke the registration of agencies engaged in wasteful practices. Licenses were withheld from organizations which might be competitive or which might duplicate existing agencies.

Through the intervention of the Board, 501 foreign relief agencies ceased their activities during the years 1942-1945. There was considerable progress in consolidating scattered local relief committees into more effective national

## *77. War Relief Control Board*

agencies; a number of existing national organizations were merged.

To simplify the solicitation of funds by the several private war relief agencies, in January, 1943, the President approved a plan proposed by the Chairman of the President's War Relief Control Board to conduct one annual country-wide campaign for all war relief purposes. In a statement on January 11, 1943, the President supported the concept of a single national war fund drive.

The Board also performed a useful service in correlating public and private relief, and providing liaison between private relief organizations and the Government on such matters as shipping relief supplies, the relationship between private relief and lend-lease, relations with U.N.R.R.A., procedures for sending prisoner-of-war packages, and many other relations with the War and Navy Departments, the War Refugee Board, and the Inter-Governmental Committee on Refugees.

In the period up to December 31, 1945, the Board reported that nearly a half-billion dollars had been collected and distributed for the relief of suffering in war-ravaged countries. The work of the

Board held overhead expenses to a very low percentage of the amount collected. The Board and its predecessor, the President's Committee on War Relief Agencies, had total expenses of less than \$150,000. The Board initially consisted of the same three Presidential appointees who had comprised the Committee on War Relief Agencies — Joseph E. Davies (Chairman), Charles P. Taft, and Frederick Keppel. Upon the death of Mr. Keppel, the President, in December, 1943, appointed Charles Warren.

After V-E Day the Board assisted in organizing food-package relief by establishing the Cooperative for American Remittances to Europe (CARE), consisting of 24 American voluntary relief agencies, which sent several million packages of food to individuals and institutions in Europe.

With the issuance of Executive Order No. 9723 on May 14, 1946, President Truman terminated the President's War Relief Control Board, effective at the close of business May 15, 1946. It had strengthened public confidence in wartime charity and had performed a high humanitarian service in relieving human suffering.

*78. Veto of Bill to Produce Rubber from Alcohol*

## **78 ¶ The President Vetoes a Bill to Promote the Production of Synthetic Rubber from Grain Alcohol. August 6, 1942**

*To the Senate:*

I RETURN herewith, without my approval, Senate 2600, a bill "To expedite the prosecution of the war by making provision for an increased supply of rubber manufactured from alcohol produced from agricultural or forest products."

This bill would create a new independent agency to be known as the Rubber Supply Agency to be headed by a Director of Rubber Supplies. The new agency is directed to "make available at the earliest possible time an adequate supply of rubber which, when added to the rubber being supplied by other agencies, will be sufficient to meet the military and civilian needs of the United States." To perform this duty, the agency is empowered to provide the necessary plants, equipment, machinery, materials, and supplies for the making of synthetic rubber. In order to get such plants and machinery, the Director is given power to obtain any necessary materials, and is given priority for them over all other private plants engaged now or later in making implements of war.

In other words, by legislative fiat, the manufacture of synthetic rubber is ordered in quantities large enough to satisfy any and all civilian needs; and absolute priority is given to obtain scarce materials for this purpose, in preference to any other military needs as scheduled by the War Production Board, or called for by the armed forces.

The approval of this bill would, in my opinion, block the progress of the war production program, and therefore the war itself.

The Congress of the United States has heretofore definitely laid down the policy, approved by the President, that in order to carry on a unified, integrated, and efficient program of war

## *78. Veto of Bill to Produce Rubber from Alcohol*

production, it is necessary to centralize the power to determine the priorities of materials not only between military and civilian needs, but also among competing military needs. This power to fix priorities for the use of scarce materials has been vested by the Congress in the President of the United States, and has been delegated by him to the War Production Board. Experience in other wars, as well as in the present conflict, has proven beyond doubt that simplification of power with respect to the use of critical materials is essential to speed and efficiency. In fact, without this, there can result only conflict and delay.

On the War Production Board there are now represented all of the Government agencies concerned with the supply and use of materials for civilian needs in the United States and for the military needs of ourselves and our allies in this war. To this Board, therefore, can be presented all of the many conflicting military and civilian demands for materials of which there are not enough to go around. One of the responsibilities and functions of the Chairman of the War Production Board is to determine, in the light of the many demands and inadequate supplies, which requirements must be filled first — considering, as we must, that the sole objective is victory in this war.

Obviously, it is only after all of the reasonable military requirements have been met that the civilian needs can even be considered.

This bill would immediately break up that logical coordination of centralized control, and would set up a new agency with power and duty to manufacture alcohol and rubber, and to override all the priorities established by the War Production Board for materials necessary to manufacture all the other hundreds of products essential in war. It goes much further than that. It provides that even civilian needs of rubber — for pleasure driving, joy-riding — must be given consideration, for the bill sets forth the duty of the new agency to furnish rubber in quantities sufficient "to meet the military and civilian needs of the United States" irrespective of the relationship of such civilian needs to winning the war.

## *78. Veto of Bill to Produce Rubber from Alcohol*

The War Production Board has adopted a program for making synthetic rubber, and is now operating under it. In doing so, it has endeavored to operate on the basis of estimated military needs for rubber and those civilian needs which are essential. By the phrase "essential needs" are meant those needs of civilians who require rubber in work directly related to the war effort — for example, driving to war production plants in automobiles where other transportation is not readily available. It includes also certain necessities for the community, like getting milk to the consumer or children to school.

In order to produce any substantial amount of synthetic rubber, new plants must be constructed or old plants converted. In formulating its program, therefore, the War Production Board has, of course, taken into consideration the amount of critical materials which can be diverted from other vital needs of the war program to build the plants to produce synthetic rubber.

In its program, the Board has allocated a certain amount of rubber to be produced from agricultural products, and a certain amount to be made from petroleum. Both types of plants — those using farm products and those using petroleum — are now being constructed, and others are planned to be constructed month by month, at the greatest possible speed.

Every one of these plants and all the machinery to be installed in them will require large quantities of certain materials of which there is great scarcity and which are sorely needed for other war purposes. They will require steel plate, other steel, copper, bronze, and brass. Remember that every time steel plate is used for a synthetic rubber plant, just so much is being taken away from ships, tanks, high-octane gasoline plants, and munitions plants. These rubber plants will also require compressors which are so badly needed to manufacture ammonia and other components of explosives. Every pound of copper taken for rubber plants and their equipment will mean fewer shells and less ammunition for our fighting forces.

In spite of the shortage of materials, however, we know that plants must be built to manufacture synthetic rubber, because

## *78. Veto of Bill to Produce Rubber from Alcohol*

rubber is necessary for our fighting machine, and for our production machine as well. I am just as determined as anyone to get that rubber—and to get it as quickly as we can. But it is necessary to weigh the need for factories to care for civilian luxuries against the needs of our fighting forces.

Therefore, to take the determination of this question away from a Board which is equipped by personnel, and by experience, and by an over-all knowledge of all our military and civilian needs, and to place it in an agency which is concerned principally with the manufacture of only one commodity, rubber, is in itself a disruption of a unified and expeditious production program. To go further, and to say that these materials can be taken away from ships and guns and ammunition and put to work producing rubber, so that some people might use it for automobiles for idle-hour pleasure, is to fly in the face of the realities of the present grave military situation which threatens all the world and civilization itself.

It is a gross distortion of our war production policy and a repudiation of our all-out effort to win the war, to say that any critical material can be taken away from military purposes and devoted to non-essential civilian demand. I am sure that not one loyal American would wish to take an ounce of critical war materials of any kind in order to insure the use of his own automobile for anything but essential war needs.

There is one other commodity—of supreme importance—which is involved in this question of synthetic rubber. That is food.

The proposed bill not only provides for a complete supply of rubber for any and all purposes, but it also directs that the new agency shall have the duty to "make available at the earliest possible time an adequate supply of alcohol produced from agricultural products to meet any military or civilian need of alcohol in the United States." In addition to the further consumption of critical materials for the construction of any new alcohol plants which the new agency may determine to be necessary, this provision may require the consumption of many millions of

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bushels of grain. Even the process of making synthetic rubber under the present program, now actually under way, will require almost one hundred million bushels of grain.

It is true that we have great grain reserves at present; but we must bear in mind that there is a steadily increasing demand for grain for the making of food for the Army and Navy and Air Force — not only of the United States but of all the United Nations. In the event of a serious drought next year like those of 1934 and 1936 — which is always a possibility — our reserves of grain may not be sufficient to cover the requirements both for food and for unlimited alcohol and rubber. Therefore, the need of grain for food instead of unlimited rubber or alcohol is something which must also be taken into consideration by those charged with the over-all responsibility of the entire war production effort.

The processes for making synthetic rubber are now in a state of flux. Some of them are in the purely experimental stage, others have been demonstrated to have varying degrees of efficiency.

It is obviously impossible to determine in advance just which process will eventually prove to be the most desirable, taking into consideration the elements of speed, efficiency of production, and consumption of critical materials. Even the processes for making synthetic rubber out of grain are several in number, and new ones are being presented from time to time. The whole question of which process to use is tied up with the question of the most strategic use of the materials which are at hand or which can be obtained. Determination in this more or less uncharted area should have the advantages of the flexibility of administrative action rather than be frozen by legislative mandate.

It may well be that serious mistakes have been made in the past, based either on misinformation, misconception, or even partiality to one process or another. It may be that the present program of the War Production Board is not the best solution. If so, the facts should be ascertained and made public. This is particularly so, if it be true, as charged by some persons in the

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Congress and outside the Congress, that the manufacture of synthetic rubber from grain has been hamstrung by selfish business interests.

The question of rubber for automobiles is an unusually important one because it so intimately affects the daily lives and habits of so many American citizens. The very passage of the present ill-advised bill is an indication of the overwhelming interest which the American people have in this problem.

I am sure, however, that once they are given the full facts as to the supply of rubber and the military and essential civilian needs for rubber, and the amount of materials required for the production of an adequate supply of synthetic rubber, they will be wholly willing to forego their own convenience or pleasure. Americans gladly give up their comforts, their time, their money — everything that seems necessary to the successful prosecution of the war effort. They freely and proudly make the greatest sacrifice of all — their own sons and brothers.

In recent months there have been so many conflicting statements of fact concerning all the elements of the rubber situation — statements from responsible Government agencies as well as from private sources — that I have set up a committee of three men to investigate the whole situation — to get the facts — and to report them to me as quickly as possible with their recommendations.

This committee will immediately proceed to study the present supply, the estimated military and essential civilian needs, and the various processes now being urged; and they will recommend processes to be used, not only in the light of need for rubber, but also in the light of critical materials required by these processes. In a sense this will require a review of the program now being followed by the War Production Board. It will form a basis for future action not only with respect to synthetic rubber, but also such matters as Nation-wide gas rationing and motor transportation. The responsibility for the distribution of critical materials will continue to remain with the War Production Board; but the Board, as well as the American people, will have

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a complete statement before them of the facts found by the committee.

This unusual investigation is being directed because of the interest of the American people in the subject, because of the great impact of the lack of rubber upon the lives of American citizens, and because of the present confusion of thought and factual statement.

In the meantime, of course, the manufacture of synthetic rubber from oil and grain will continue without interruption.

The functions of this committee require not only experience in business and production and the relations of Government thereto, but also trained, scientific minds. Therefore, I am appointing as members of this committee, Honorable Bernard M. Baruch, Chairman; Dr. James B. Conant, President of Harvard University; and Dr. Karl T. Compton, President of Massachusetts Institute of Technology. They will be equipped with adequate staff and will, I know, submit their report at the earliest possible moment. I am asking them to investigate the whole situation, and to recommend such action as will produce the rubber necessary for our total war effort, including essential civilian use, with a minimum interference with the production of other weapons of war.

**NOTE:** As indicated in the preceding veto message, the President strongly opposed a piecemeal approach to the rubber problem which ignored its relation to other aspects of the war program. The bill of Congress which attempted to build up the production of rubber from synthetic grain alcohol sources not only set up a competing agency in the rubber production field but also threatened a serious shortage of scarce war materials to build new plants, and attempted to satisfy civilian needs at the possible expense of military needs.

The President pointed out in his veto message that he had appointed a three-man committee to survey the entire rubber problem. This committee, headed by Bernard M. Baruch (see next Item), reported early in September, 1942, on the results of its investigation; the President immediately took steps to carry out the committee's recommendations through a comprehensive program which, in a relatively short time, successfully solved the rubber shortage problem.

*79. Baruch Asked for Report on Rubber Situation*

## 79 ¶ The President Asks Bernard M. Baruch to Make a Survey and Report on the Rubber Situation. August 6, 1942

*Dear Mr. Baruch:*

I HAVE just vetoed the bill passed by the Congress setting up a new agency for the purpose of producing a supply of rubber and alcohol for military and civilian needs for the United States. For your information, I am enclosing a copy of my veto message.

As you will note therein, I believe it to be highly important that a small committee of distinguished and disinterested citizens be appointed for the purpose of making a quick but adequate survey of the entire rubber question. This would include not only facts with respect to existing supplies and estimates as to future needs, but also the question of the best method to be followed for obtaining an adequate supply of rubber for our military and essential civilian requirements. This, of course, involves a consideration of how large a quantity of critical materials needed for other war purposes can and should be used for the construction of plants for the manufacture of synthetic rubber.

I am asking to serve on this committee, yourself as Chairman, Dr. James B. Conant, President of Harvard University and Dr. Karl T. Compton, President of the Massachusetts Institute of Technology.

You will be equipped with the necessary technical staff, and I hope that your report will be made as quickly as possible. In the meantime, of course, the War Production Board will proceed with the manufacture of synthetic rubber.

In short, the purpose of your survey and investigation is to recommend such action as will best produce the synthetic rubber necessary for our total war effort, including essential civilian use, with a minimum interference with the production of other weapons of war. I trust I may have your acceptance of this most

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important public trust, although I am, of course, aware of the other public demands being made upon your time and energy.

With kindest personal regards,

Very sincerely yours,

**NOTE:** Pearl Harbor brought home to this country our utter economic dependence upon rubber. It is difficult for us now to remember the great fear which we all felt during the war of the consequences of the rubber shortage. When the Japanese overran the Far East rubber-producing areas which had supplied 92 percent of our crude rubber, drastic steps became necessary to build up our rubber supply. (See Items 34 and 66 and notes, and references cited therein, this volume, for discussion of additional measures to conserve rubber and collect scrap rubber.)

While Federal officials and others had gravely underestimated the potential rubber shortage, and had failed to move with sufficient vigor to build up a stock pile, nevertheless the problem had, in some measure, been recognized in advance. A degree of foresight — lamentably short of the desired mark — resulted in our having on hand almost 700,000 tons of crude rubber, when the Japanese attacked Pearl Harbor. By direction of the President, the Reconstruction Finance Corporation, on June 28, 1940, had established the Rubber Reserve Company for the purpose of building up a stock pile of rubber. The Company was not too successful.

The shortage was made the more grave by the fact that the United States found itself the chief source of rubber for all the United Nations.

By the summer of 1942, it became apparent that rubber shortages were retarding the prosecution of the war. It seemed unlikely that measures which had thus far been taken would produce a sufficient supply of rubber to carry the United States and her allies to victory. Therefore, the President once again turned to Bernard M. Baruch, requesting him to serve as chairman of a committee to investigate the rubber situation and recommend necessary action. The committee also included James B. Conant, President of Harvard University, and Karl T. Compton, President of Massachusetts Institute of Technology.

On September 10, 1942, after five weeks of intensive work, the Baruch Committee completed its report to the President. The report warned that the situation was so grave that unless corrective measures were taken immediately the United States was threatened with both a military and a civilian collapse. The Committee recommended the following program, which became a blueprint for the

## *79. Baruch Asked for Report on Rubber Situation*

production, conservation, and use of rubber for the duration of the war:

1. A rubber tire rationing program which would provide for the reduction of car mileage by Nationwide rationing of gasoline, reduction of speed limits, and tire recapping;
2. Lifting of all restrictions on the dissemination of technical information to rubber companies regarding the compounding of synthetic rubber;
3. Appointment by the Chairman of the War Production Board of a Rubber Administrator who was to have complete authority in all matters relating to research, development, construction, and operation of plants, and all other matters relating to rubber;
4. Exploration of all methods for the production of butadiene from petroleum and natural gas products by the Petroleum Coordinator, with the Rubber Administrator to have authority to construct all plants for the production of butadiene upon the advice of the Petroleum Coordinator;
5. An uninterrupted flow of materials for the construction of synthetic rubber plants;
6. Increase of synthetic rubber production by the use of idle gasoline refining equipment to produce "quick butadiene," and by the construction of plants in grain areas to speed the produc-

tion of Buna-S rubber by the alcohol process;

7. Increase of the existing production goals established by the War Production Board for Buna-S rubber from 705,000 to 845,000 tons by the end of 1943; and
8. Intensive support of the Department of Agriculture's program to increase the acreage of the crude rubber-yielding shrub, guayule, to 180,000 acres.

One week after receiving the report of the Baruch Committee, the President issued Executive Order No. 9246 establishing the basic administrative machinery recommended by the Committee (see Item 94 and note, this volume).

For the duration of the war, the program recommended by the Baruch Committee remained the basic framework for our rubber program. Some deviations were, however, enforced by circumstances. For example, early in 1943, the Baruch recommendation for obtaining "quick butadiene" by converting existing oil refining facilities had to be abandoned because of component shortages. Other reductions were necessary because of competition for equipment needed in the high-octane aviation gas program, and because certain synthetic methods did not prove as satisfactory for military purposes as had been anticipated by the Baruch Committee. Another departure from the Committee's recommendations occurred in the spring of 1943, when the

## *80. Presentation of Submarine Chaser to Dutch*

guayule natural rubber program was reduced because of manpower shortages and the greater urgency for producing more food. Offsetting these reductions was the discovery that plants producing butadiene for Buna-S rubber would produce as much as 50 percent more than their previously rated capacity.

Despite these departures from the original Baruch Committee recommendations, the Committee's report

did the job. Hurriedly prepared because of the urgency of the problem, it was nevertheless incisive and comprehensive. To it must be attributed the ultimate end of the grave rubber shortage which could have been so disastrous to our war economy and our military operations.

It was only one of the many services which Bernard Baruch, to my own knowledge, rendered his country during this war.

## 80 ¶ Remarks of the President on the Presentation of a Submarine Chaser to Queen Wilhelmina for the Dutch Navy. August 6, 1942

*Your Majesty:*

FROM the earliest days of history, the people of The Netherlands — your people — have been willing to fight for their freedom and independence. They have won out in the face of great odds.

Once more they are fighting for that independence. Once more they will win and maintain it.

We, too, are fighting for our freedom and it is natural and right that The Netherlands and the United States have joined hands in the common struggle.

The gallant exploits of your countrymen have won the admiration of all the other peoples of the world — first, in The Netherlands itself and later in The Netherlands Indies where, in the face of overwhelming odds, your sons and our sons went down fighting to the bitter end on land and sea and in the air. Their memory inspires us to redouble our efforts for the cause for which they gave their lives.

The Netherlands' Navy is today adding fresh laurels to those

## *8o. Presentation of Submarine Chaser to Dutch*

already won in battle from the North Sea to the Java Straits. We Americans can know no better cause than to assist your gallant Navy.

It is, therefore, as a tangible expression of our admiration for all that The Netherlands' Navy has done, and is doing, that I have the great pleasure of turning over to you, under the provisions of the Lend-Lease Act, this ship.

Built by American workers in American yards, she will hereafter fly the brave Ensign of The Netherlands.

And she will bear the name of one who has come to stand in the eyes of the world as a symbol of Netherlands courage and Netherlands determination.

For it is as the *Queen Wilhelmina* that she will embark upon her new career.

I ask Your Majesty to receive this ship as a symbol of the friendship and admiration of the people of the United States.

*NOTE:* The foregoing remarks were made by the President in presenting a 173-foot steel submarine chaser to The Netherlands' Navy, in colorful ceremonies at the Washington Navy Yard. In accepting the vessel, Queen Wilhelmina remarked that it was "fresh evidence of the excellent spirit of friendship which ever since the days of John Paul Jones has existed between our two

navies." Then, in referring to the President, the Queen said: "May your love of the sea and of seamanship pervade this vessel and inspire those on board."

During her stay, Queen Wilhelmina addressed a joint session of the Congress, and also addressed the President's press conference on August 7 (see Item 81 and note, this volume).

*81. Eight Hundred and Fortieth Press Conference*

**81 ¶ The Eight Hundred and Fortieth Press Conference — The Press Is Presented to Queen Wilhelmina. August 7, 1942**

*(Welcome to the Queen — Remarks of Queen Wilhelmina — Steel scrap campaign — New York and Dutchess County primaries.)*

(Her Majesty Wilhelmina, Queen of The Netherlands, was a guest at this Press Conference. As the newspapermen came in, the President and the Queen were both standing behind chairs in front of the desk. Mrs. Roosevelt was also present, and stood to the right of the Queen.)

**THE PRESIDENT:** *(to the Queen)* I can really see them now. I very rarely see more than the front row.

**MR. DONALDSON:** All in.

**THE PRESIDENT:** I don't think that you good people have had any advance notice of this, but Her Majesty consented to come here today, not to be asked questions but to have the White House Correspondents' Association presented to her.

I think you all know that The Netherlands and this country have most of their ideals in common. And it is a very interesting and a very wonderful thing to know that constitutionally in The Netherlands and in this country freedom of expression, freedom of speech, and freedom of the press are a part of the Government. They are recognized by the constitutions of both of our Nations.

And I can only say that in these past three days, all of us — the Congress, the Government — the executive branch — and I think the press — have been made very happy by the presence of this really great head of a Government as our guest — head of an Allied Nation, who is seeing this war through with us.

And so I present all of you gentlemen, and ladies, to Her Majesty, the Queen of The Netherlands. And I have asked her, and she has graciously consented, to say a few words to

*81. Eight Hundred and Fortieth Press Conference*

the White House Correspondents' Association. (*Applause for the Queen*)

HER MAJESTY QUEEN WILHELMINA: I am indebted to the President for inviting me to his press and radio conference, having thus been given the occasion to voice my admiration of all the work the members of the American press and radio have done, not only in the past and happier years, but especially since the outbreak of the present war. I have had the opportunity to read and listen to reports from men and women who are actually in the many scenes of combat with the enemy, and who with complete disregard of their own safety gather their information for the sake of truth and public enlightenment.

The mission of the press and radio is one of great responsibility, more so now than ever, when the future of the world and civilization is in the balance. Its fulfillment is dependent on freedom of speech and a free press — two conditions no dictator ever grants.

In this country, as in all parts of my country, both rights are constitutionally guaranteed and deeply ingrained in the life of the Nation. Where occupation has temporarily abolished them, defeat of the enemy will see them restored. At present, wherever freedom of speech and press continue to exist, the contribution which press and radio make to the effort of those upon whose shoulders has been placed the sacred duty to lead democracy to victory is of immense value, because they share the task of leading mankind toward a brighter morrow. (*Applause*)

THE PRESIDENT: Now we are going to sit down and proceed with the regular conference. . . .

Donald Nelson wants me to mention the following — it came over the telephone a few minutes ago, so I haven't read it first. I assume it's all right.

(Reading): "We are engaged in an intensive drive to collect all of the scrap possible. We need steel scrap badly to increase present production. We are keeping ahead of the blast furnaces now, but we want to accumu-

## 81. Eight Hundred and Fortieth Press Conference

late 17 million tons of scrap to insure steel production for the year 1943. We want to take all abandoned steel structures, abandoned railroads, plants and buildings, old farm machinery of no further value, and any miscellaneous steel or copper — or rubber, of course — scrap that's lying around the home. This is merely another effort to get in a lot of scrap of various kinds that we feel certain is still lying around the country in different places."

I think that's all I have got.

(*Then turning to Mr. Early*) There isn't any more — there is nothing more on the rubber survey committee that was appointed yesterday?

MR. EARLY: No, sir.

THE PRESIDENT: They're at work. That's all I can tell you.

Q. Mr. President, have you completed your review of the case of the eight German agents?

THE PRESIDENT: Not yet. Haven't finished reading it.

Q. Do you expect to do so today, sir?

THE PRESIDENT: I couldn't tell you. I don't know.

Q. Mr. President, with respect to Mr. Nelson's memorandum to you, there comes to newspapers and radio people from all over the country the suggestion that possibly you could organize to pick up the cannon, and things of that sort, that are lying around on courthouse squares throughout the country, plus some of the statues of bronze that people — (*laughter interrupting*)

THE PRESIDENT: I think there are many —

Q. (*continuing*) Would you care to say anything about that?

THE PRESIDENT: (*continuing*) Taking the last point first, there are a great many statues around the country which would probably look better if they were turned into guns. (*Laughter*) They could perhaps be replaced after the war with something — what shall I say? — a little more artistic. (*More laughter*) The World War cannon, and some of the Civil War cannon are being collected. We have already gone through navy yards, and are still going through navy yards to use many of those old historic cannon. It probably is the best use they can be put to, and I think it should be done.

*81. Eight Hundred and Fortieth Press Conference*

*Q.* You endorse that?

THE PRESIDENT: Yes. I am inclined to think that it wouldn't be a bad idea to get some kind of approval or authorization by Congress which would tell communities that have these cannon out on the village green that after the war is all over we will replace them with something more modern — (*Laughter*) that has a modern history in the winning of the war.

*Q.* Mr. President, there are a lot of elegant brass doorknobs and mailboxes in this town.

THE PRESIDENT: Would you like the chairmanship of that committee? (*Laughter*)

*Q.* Mr. President, charges have been made in the New York primary campaign that Senator Jim Mead is an isolationist. Do you think so?

THE PRESIDENT: I am not talking politics. I am not engaging in the New York campaign, but whoever made any charge of that kind, I should say offhand that — well, if Jim Mead is an isolationist, so am I.

*Q.* Are you going to vote in the primary, sir?

THE PRESIDENT: What?

*Q.* Are you expecting to vote in the primary, sir?

THE PRESIDENT: No. I am not going up for the primaries, because we have essentially no contest for — in the Democratic primaries in the District. In other words, I am not permitted to go into the Republican primaries [in which Congressman Hamilton Fish was a candidate]. (*Laughter*)

*Q.* Would you like to, sir?

THE PRESIDENT: I would. (*Laughter*) . . .

*NOTE:* The foregoing press conference, which was addressed by Queen Wilhelmina of The Netherlands, marked the first time that a reigning monarch had spoken at a presidential press conference. The Queen also addressed a joint session

of the Congress, and on August 6 accepted a submarine chaser which was presented by the President in ceremonies at the Washington Navy Yard (see Item 80 and note, this volume).

*82. First Anniversary of Atlantic Charter*

## 82 ¶ The President Sends a Message to Prime Minister Churchill on the First Anniversary of the Atlantic Charter. August 14, 1942

A YEAR ago today you and I, as representatives of two free Nations, set down and subscribed to a declaration of principles common to our peoples. We based, and continue to base, our hopes for a better future for the world on the realization of these principles. This declaration is known as the Atlantic Charter.

A year ago today the Nations resisting a common, barbaric foe were units or small groups, fighting for their existence.

Now, these Nations and groups of Nations in all the continents of the earth have united. They have formed a great union of humanity, dedicated to the realization of that common program of purposes and principles set forth in the Atlantic Charter, through world-wide victory over their common enemies. Their faith in life, liberty, independence and religious freedom, and in the preservation of human rights and justice in their own lands as well as in other lands, has been given form and substance and power through a great gathering of peoples now known as the United Nations.

Freedom and independence are today in jeopardy — the world over. If the forces of conquest are not successfully resisted and defeated there will be no freedom and no independence and no opportunity for freedom for any Nation.

It is, therefore, to the single and supreme objective of defeating the Axis forces of aggression that the United Nations have pledged all their resources and efforts.

When victory comes, we shall stand shoulder to shoulder in seeking to nourish the great ideals for which we fight. It is a worth-while battle. It will be so recognized through all the ages, even amid the unfortunate peoples who follow false gods today.

We reaffirm our principles. They will bring us to a happier world.

### *83. Axis War Crimes in Occupied Countries*

**NOTE:** For the text of the Atlantic Charter, see Item 74, 1941 volume. For additional presidential references to the Atlantic Charter, see Items 76, 77, and 78, 1941 volume; Item 109, this volume; Item 90, 1943 volume; and Items 120 and 121, 1944-1945 volume.

## 83 ¶Statement Warning Against Axis Crimes in Occupied Countries. August 21, 1942

THE Secretary of State recently forwarded to me a communication signed by the Ambassador of The Netherlands and the Ministers of Yugoslavia and Luxembourg on behalf of the Governments of Belgium, Greece, Luxembourg, Norway, Netherlands, Poland, Czechoslovakia, Yugoslavia, and the French National Committee in London, calling attention to the barbaric crimes against civilian populations which are being committed in occupied countries, particularly on the continent of Europe.

In this communication, attention was invited to the declaration signed in London on January 13, 1942, by the representatives of nine Governments whose countries are under German occupation. This declaration affirmed that acts of violence thus perpetrated against the civilian populations are at variance with accepted ideas concerning acts of war and political offenses as these are understood by civilized Nations; stated that the punishment, through the channel of organized justice of those guilty and responsible for these crimes, is one of the principal war aims of the contracting Governments; and recorded the determination of the contracting Governments in a spirit of international solidarity to see to it that those guilty and responsible, whatever their nationality, are handed over to justice and tried and that the sentences pronounced are carried out.

The communication which I have just received from the chiefs of mission of The Netherlands, Yugoslavia, and Luxembourg states that these acts of oppression and terror have taken proportions and forms giving rise to the fear that as the defeat of the enemy countries approaches, the barbaric and unrelenting

### *83. Axis War Crimes in Occupied Countries*

character of the occupational regime will become more marked and may even lead to the extermination of certain populations.

As I stated on October 25, 1941:

"The practice of executing scores of innocent hostages in reprisal for isolated attacks on Germans in countries temporarily under the Nazi heel revolts a world already inured to suffering and brutality. Civilized peoples long ago adopted the basic principle that no man should be punished for the deed of another. Unable to apprehend the persons involved in these attacks the Nazis characteristically slaughter fifty or a hundred innocent persons. Those who would 'collaborate' with Hitler or try to appease him cannot ignore this ghastly warning.

"The Nazis might have learned from the last war the impossibility of breaking men's spirit by terrorism. Instead they develop their '*lebensraum*' and 'new order' by depths of frightfulness which even they have never approached before. These are the acts of desperate men who know in their hearts that they cannot win. Frightfulness can never bring peace to Europe. It only sows the seeds of hatred which will one day bring fearful retribution."

The Government of the United States has been aware for some time of these crimes. Our Government is constantly receiving additional information from dependable sources and it welcomes reports from any trustworthy source which would assist in keeping our growing fund of information and evidence up to date and reliable.

The United Nations are going to win this war. When victory has been achieved, it is the purpose of the Government of the United States, as I know it is the purpose of each of the United Nations, to make appropriate use of the information and evidence in respect to these barbaric crimes of the invaders, in Europe and in Asia. It seems only fair that they should have this warning that the time will come when they shall have to stand in courts of law in the very countries which they are now oppressing and answer for their acts.

**NOTE:** For other statements of the President on the subject of Axis war crimes, and the action taken pursuant to these statements, see Item 101 and note, 1941 volume;

Item 100 and note, this volume; Item 122 and note, 1943 volume; and Item 24 and note, 1944-1945 volume.

#### *84. Public Disagreements Between Federal Officials*

## 84 ¶ The President Addresses a Letter to Each Federal Department and Agency on Public Disagreements Between Federal Officials.

August 21, 1942

IN DEALING with the many complex war problems which we face today, it is unavoidable that there be wide differences of opinion between agencies of the Federal Government — opinions sincerely and honestly held. However, too often in recent months, responsible officials of the Government have made public criticism of other agencies of the Government; and have made public statements based either on inadequate information or on failure to appreciate all the aspects of a complex subject which is only partially within their jurisdiction.

This is inadvisable at any time. But in times of war it is particularly contrary to public policy. It contributes only to the confusion of the public, which naturally does not know what to believe on an involved issue when it gets different stories on successive days from officials of equal standing, though not necessarily of equal understanding.

Such divergencies, especially when coupled, as they often are, with express or implied criticisms of other officials, are a direct and serious handicap to the prosecution of the war. Officials divert to quarrels with each other the time and energy they ought to be devoting to fighting the enemy. The people, confused by these contradictory voices, are apt to obtain the false impression that the Government as a whole is uncertain as to its objectives and general method and that it does not know its job.

This feeling is of course pounced upon, exploited, and intensified by opponents of our war effort. Our enemies use this raw material of discord provided for them by men who ought to be making trouble for the enemy and not for one another.

One of the duties prescribed for the Office of War Information is the coordination of war informational activities of all Federal departments and agencies, for the purpose of assuring an accu-

#### *84. Public Disagreements Between Federal Officials*

rate and consistent flow of war information to the public and the world at large and for the added purpose of eliminating conflict and confusion among the departments and agencies of the Government in the matter of their public relations. Elmer Davis, Director of this Office, tells me that so far as written statements from departments and agencies are concerned, very satisfactory progress toward this objective is being made. But he points out that the attainment of the objective is being gravely hampered by verbal statements dealing with matters touching more than one department or agency made by high officials in press conferences and elsewhere — statements which do not contribute either to the accuracy or the consistency of public information.

In a recent report to me on this situation Mr. Davis makes a statement which should be emphasized: "The enemy is constantly at work trying to undermine public confidence in the Government; why should members of that Government help him along by undermining it themselves?"

Where honest differences of opinion exist no one would propose to suppress them. Nor would anyone attempt to interfere with the free use by every public official of the normal processes of information to the public and press. But it is no solution to a controverted question to argue it out in public. If the agencies would refrain from resorting to public debate of this kind they would have a good deal more time to attend to their business, and the Nation would have a good deal more assurance that that business was being done right.

These differences between agencies often deal with matters of fact which can be harmonized by fuller investigation, or questions of policy which should be adjusted by conference between the agencies or by reference to me as the responsible head of the Government. Disagreements either as to fact or policy should not be publicly aired, but are to be submitted to me by the appropriate heads of the conflicting agencies. The policy of the Government should be announced by me, as the responsible head thereof. Disagreements as to facts can be resolved, if necessary, by investigations and surveys directed by me.

## *85. Eight Hundred and Forty-second Press Conference*

Will you please see to it that your particular department and its various bureaus and divisions comply with these instructions.

I am sending an identical letter to the responsible head of each department and agency of the Federal Government.

**NOTE:** Early in the war, the difficult question arose concerning which agency should control the clearance of speeches and written statements by high executive officials. After some discussion with the Office of Censorship in early January, 1942, the function of speech clearance was assigned by the White House to the Office of Facts and Figures (see Item 99 and note, 1941 volume).

With the establishment of the Office of War Information on June 13, 1942 (see Item 67 and note, this volume), the function of clearing Federal officials' speeches and written statements passed to the O.W.I. The foregoing letter to department and agency heads was issued by the President to cover O.W.I. clearance

of verbal as well as written statements. In addition, the President called attention to the excessive number of public criticisms voiced by executive heads in commenting on other agencies. The President felt that interagency competition, symptomatic of the growing pains of the wartime administrative organization, lent too much encouragement to irresponsible criticism from outside sources. Clearance with the Office of War Information was designed not for censorship purposes but to insure complete information as it related to all the wartime agencies and to minimize the interagency sniping which, the President felt, retarded the war effort.

## **85 ¶ The Eight Hundred and Forty-second Press Conference (Excerpts). August 21, 1942**

*(Axis atrocities — Public disputes — Wendell Willkie as Special Representative of the President — Punishment of war crimes through judicial procedure — Press exaggeration of strikes — Effect on neutral countries in case of Axis victory — Press conferences.)*

**THE PRESIDENT:** I will give you the most important thing first, which is a warning to the enemy Nations. I am making it in the form of a statement, because I think probably that is as good a way as any.

## *85. Eight Hundred and Forty-second Press Conference*

(*After reading the Official Statement — see Item 83*) Of course, we had hoped that the barbaric acts against civilian populations would decrease. On the contrary, they seem to be increasing. And I just give you the example of the shooting of hostages, not only in France but very recently five or six very important citizens in The Netherlands, and a good many people in Norway. Well, it's just an illustration. We don't get much news out of the other countries, but it is probable that similar — I call them atrocities on the part of Germany still exist in those other countries like Poland and Czechoslovakia that we don't get much news out of. . . .

I think that's clear enough. I don't think it needs much comment.

Then Steve [Early] has got for you a copy of a letter [Item 84] that went out yesterday morning to the head of every department and agency of the Federal Government in regard to talking too much. (*Laughter*)

I won't read it. It's fairly long. But the object is to prevent the people, from the top to the bottom, in these different agencies from talking too much, thereby creating false impressions, and in many cases taking opposite sides of a policy argument out in public which hasn't been passed on in any way, trying to make you good people decide that this is going to be the policy of the Government, and then citing somebody who has talked too much, and — Oh, well, you can understand why it's done just as well as I can.

The third thing I have is that Mr. Wendell Willkie is going out to the Near East and Russia.

Well, the Near East — I think you can make a fairly good guess — includes Egypt, and Arabia, and Palestine, and Syria, and Turkey, and Iraq, and Iran, and in addition to that, Moscow.

And he is going as — I don't know exactly what his title would be. At any rate he is going for me. He is going — I suppose the best thing to call him is a Special Representative of the President. He will carry letters to the various Americans,

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and so forth, out there, and to some of the other people too. And he will be back by the fifteenth of October. (*Laughter*)

Q. I wanted to ask you whether, in this very judicially minded statement of yours about the retribution, if you could commit those folks over there in these ravished countries to acting through courts of law, when they got a chance at them? You are speaking for the Government of the United States?

THE PRESIDENT: Yes.

Q. You are not committing those people to stand up there, are you? In other words, I don't see how those fellows could stand going in a law court if they got a hold of these guys.

THE PRESIDENT: Well, of course, I can't talk for them, but I express the hope that there will be a judicial process.

Q. Mr. President, have you heard the remark of some of the representatives of the occupied countries: "Give us one week"?

THE PRESIDENT: I have. And I hope that they won't carry that idea out. I think sober judgment all over the world would be distinctly in favor of the judicial processes, when we win the war and can give it back. We don't want to kill innocent people. . . . We had a very good example of it here two or three weeks ago. That was not just a form. That was a definite judicial process that was carried up to the highest court.

Q. Well, you mentioned Iraq and Iran and a lot of those Near East countries. Is there anything you could say about what you desire Willkie to do there? Information? Or is there anything more than that?

THE PRESIDENT: I think you could say this: that, of course, in each country there are special tasks, depending on the country. I am not talking about Russia. I am talking about the other countries in the Near East.

I should say that his principal task would be to tell the truth to them, representing the leadership of the minority party in this country. What he says will carry a very great weight on what the United States is doing to win the war. In other words, that we have unity, and that we are going all-out.

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And we talked for a while about one phase of it, which is perhaps an unintentional result, but a great many people all over the world get from our dispatches that originate in the United States the idea that our production is being hurt to a very, very large extent — remember I talked about this last week — there will be a threatened strike in one small plant, and it lasts 24 hours — there will be another shutdown by management in some small individual plant for 24 hours. That is so handled by the news agencies as to make the outside countries think that that is the rule instead of the very rare exception.

I have had British labor people come in here, saying, "Oh, it's terrible. It's perfectly terrible. Why all these strikes, all these shutdowns?" And so forth and so on. "You are not carrying out the program." And when I tell them what this country knows pretty well, that the total of delay in war production caused by strikes or shutdowns is an infinitesimal percentage of the total, they are very much surprised. Now a lot of people in Britain think that, because of a — what shall I call it politely? — a disproportionate exposition of the news.

And of course our enemies seize it — they grab it. Probably some of you know who have access to German newspaper dispatches, or dispatches from newspapers from, say, Paris. Why, heavens above! — if ten men walk out, that's front-page stuff for them. And the enemy, that is part of his propaganda, perfectly obviously. They just magnify something that doesn't exist. Well, the result is that you get false information to the people all over Europe and the Near East.

Well, that is one of Mr. Willkie's tasks, to tell the truth about the United States.

And another matter that I asked him to mention when he gets to these different places is the comparison between an Axis victory and a United Nations victory, as to what would happen to them.

Now you might say that one side or the other is going to win, and therefore those Nations which are not actively at

## *85. Eight Hundred and Forty-second Press Conference*

war at the present time ought to begin to think about what is going to happen to them in the case of either victory, in the one case being reduced to the status of a puppet state, totally controlled by Germany and Italy, and in the other case a reasonable opportunity for autonomy, and independence, and development, under certain principles. Well, just for example, the principles of the Atlantic Charter.

And they ought to begin to realize over there the implications of a victory by the Axis powers, versus the implications by the United Nations. I don't think that we have expressed that enough to the individual Governments and peoples of those Nations. Now that is one of the jobs for Mr. Willkie to do.

*Q.* Mr. President, have you asked Mr. Willkie to report to you when he comes back?

**THE PRESIDENT:** Oh, yes.

*Q.* Mr. President, you said that he would carry communications to some of the leaders of the Governments that he would visit. Could we presume that they would include one to Mr. Stalin?

**THE PRESIDENT:** Oh, yes. Oh, yes.

*Q. (interposing)* Mr. President —

**THE PRESIDENT:** (*continuing*) In fact, Mr. Stalin knows he is coming.

*Q.* In your illustration there — the dissemination of news — you brought up the strike. Would you care also to include — and it isn't mine at all — the fact that the statement is made by competent authorities, labor leaders, that production is falling off and they blame the dollar-a-year men, and some member of Congress will make the statement on the floor. It arises as a legitimate matter of news sometimes, so far as reporting is concerned.

**THE PRESIDENT:** Yes. It depends, of course, a good deal on what paper you work for. Of course, you can always write a story any way you want it. The principal problem at the present time is getting the raw materials to these plants, where you

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have — it isn't an easy thing — you have got literally thousands and thousands of plants. And with the best intentions in the world, the W.P.B. and the Army and Navy make priorities. Well, sometimes those priorities that are made at the beginning of the contract don't work out the way we expect them to. And we also know, in addition to that, that the very use of the word "priorities" means "not enough material to go around." And those are the principal causes of slowing up at the present time.

Q. Well, as a general over-all matter, are you satisfied with the progress of the manufacture of munitions, and the distribution of —

THE PRESIDENT: (*interposing*) I never will be.

Q. Are you dissatisfied?

THE PRESIDENT: Yes.

Q. Are you blue about it? (*Laughter*)

THE PRESIDENT: No, no. No . . .

Q. Mr. President, can you tell me the effect yesterday afternoon in New York will have on the conduct of the war? (*Referring to the nomination of John J. Bennett, Jr., over James M. Mead for Democratic nominee for Governor of New York State*)

THE PRESIDENT: I thought somebody probably would ask that (*laughter*), and so this morning, while at breakfast, I was reading a piece by Mark Sullivan, which has a lot of wisdom in it. (*Picking up the New York Herald Tribune for August 21*) I shall read this. He is talking about a press conference that Bob Patterson had on the commando raid.

(*Reading*): "The newsmen asked if Mr. Patterson had any comment. The question was asked in a manner which suggested that the questioner really didn't have much hope of an answer." (*Laughter*)

Which I think is very nice. Then Mark goes on. He says this:

"By thus setting his expectations below his hopes, he escaped disappointment." (*More laughter*)

This is one of the grandest things I ever read.

## 86. Cable on Brazil's Declaration of War

(Continuing reading): "Mr. Patterson said merely that he had no worth-while comment. If Mr. Patterson has no copyright on those four short words, 'no worth-while comment,' they could be advantageously used by some other Washington officials who face press conferences. If all officials were as immune as the impulsive Mr. Patterson from feeling that courtesy or other motive requires them to satisfy the newsmen with something interesting or amusing — in that event the quantity of words that go out of Washington would become at once diminished (*laughter*) — and more informative." (More laughter)

I wanted to read that because I want that to go into the record of the press conferences that will come out some day.

Q. Mr. Sullivan is with us today, if you care —

THE PRESIDENT: (*interposing*) Yes? Is Mark there?

MR. SULLIVAN: Always here, Mr. President. (*Loud laughter*)

THE PRESIDENT: Now it's going down in the Presidential papers to be issued later on.

## 86 ¶ A Cable to President Vargas on Brazil's Declaration of War. August 22, 1942

I HAVE been informed that the United States of Brazil has today recognized that a state of war exists between Brazil, on one hand, and Germany and Italy on the other hand.

On behalf of the Government and people of the United States I express to Your Excellency the profound emotion with which this courageous action has been received in this country. This solemn decision more firmly aligns the people of Brazil with the free peoples of the world in a relentless struggle against the lawless and predatory Axis powers. It adds power and strength, moral and material, to the armies of liberty. As brothers in arms, our soldiers and sailors will write a new page in the history of friendship, confidence, and cooperation which has marked since the earliest days of independence relations between your country and mine.

The action taken today by your Government has hastened the

## *87. Eight Hundred and Forty-third Press Conference*

coming of the inevitable victory of freedom over oppression, of Christian religion over the forces of evil and darkness.

I send you my warmest personal regards and expressions of the fullest confidence in the success of our common cause.

## **87 ¶ The Eight Hundred and Forty-third Press Conference (Excerpts). August 25, 1942**

*(Racial tension in Detroit — Cost of living problem — Importance of controlling wages and farm prices.)*

*Q.* Mr. President, can you tell us what Archbishop Edward Mooney [with Monsignor Michael J. Ready] was here so long about?

*THE PRESIDENT:* Oh, we talked about a flock of things.

*Q.* Any Detroit problems involved?

*THE PRESIDENT:* Yes. Yes.

*Q.* Can you tell us what some of those were?

*THE PRESIDENT:* No. I think the only thing I could say on the particular Detroit problem must be said completely off the record. And that is this, that they have, of course, a problem like a great many other places: a very large influx of population, and the problem of housing. And one portion of the problem — not the whole of it, a portion of it probably — is that a great many new workers are colored; and there is an effort on the part of a great many people to create trouble.

Well, of course, in all human probability this influx of population in Detroit is not a permanent thing, any more than it was at the time of the last war, or at the time of the boom of 1929. And after that — both those cases — the population that had come in, a very large portion of it, went back home.

Well, about the only thing you can say on it is a word of advice to treat this as a temporary problem — do the best we can. We are living together in turning out munitions — and especially to avoid creating trouble. . . .

87. *Eight Hundred and Forty-third Press Conference*

- Q. Mr. President, does your meeting tomorrow with William Green of the A.F. of L. and Philip Murray of the C.I.O. have a bearing on the new plan against spiraling the cost of living?

THE PRESIDENT: Yes. Oh, yes.

Of course, the problem of the "cost of living" — which as you know I prefer as a term to the word "inflation" — it's a very, very serious matter before the country, affecting people's lives and affecting very definitely the actual active conduct of the war. Therefore, it will probably be one of the subjects.

- Q. Mr. President, in addition to the labor angle of that, Secretary Claude Wickard the other day, I am sure you noticed, made a statement in favor of the repeal of the 110 percent ceiling on farm prices, in favor of certain —

THE PRESIDENT: (*interposing*) Well, all right. I will tell you what I will do. I will give you a sort of an idea for a story.

Q. Swell. (*Laughter*)

THE PRESIDENT: In this problem, remember there are quite a number of points to be taken up, savings, buying bonds, and so forth and so on; and an effort, this is largely on the financial end, to prevent people from bidding against each other to get all kinds of things, which they have got to do without — simply have to. It will upset the whole war effort if they don't make certain sacrifices in the things they buy.

However, that part of it is rather distinct from two of the points which I made in that last talk, two points on which I have a sort of a feeling that the country is being a bit whipsawed between two so-called groups. They are not. They are all American citizens. They are really all one group. But as part of the democratic process, people are apt to oversimplify it and call them two separate groups. Well, they are not. And yet they try to make it appear so. They very often appear as if they were two different groups.

One is Labor and the other is Agriculture.

Now, after a good many months of effort it looks as if it wouldn't be fair to impose certain restrictions on one group

## *87. Eight Hundred and Forty-third Press Conference*

without imposing restrictions on the other group. And I think from the point of view of national defense, and the conduct of the war, we have got to do both, one way or another. And these conferences today relate to the methods of imposing certain sacrifices on everybody, including both of these so-called groups.

Now one of the first things to point out — reiterate what I said about there really being one group — take, for example, the agricultural family. You can't oversimplify it and say that the agricultural family lives off the farm, because it doesn't. Now that's just a plain fact that I think has been greatly overlooked. The agricultural family buys an awful lot in the store. The agricultural families, most of them, buy a lot, for example, of canned goods, and clothing of various kinds, and household needs of various kinds. So of course they are very deeply affected if the price of those needs goes skyrocketing. And it will hurt them, perhaps not altogether as much as the city family, but pretty close to the city family, if consumer goods in the store go up in price.

And I think that if the farmer's wife all the way through the country had it explained to her, about the cost of living to her, I think the farmer's wife would appreciate it, and understand it, and go along with the effort to stabilize the cost of living.

But you can't stabilize wages without stabilizing farm prices. Nor can you stabilize farm prices without stabilizing the cost of wages. And that's the thing that we are working on, to bring about a result of a stabilized cost of living, insofar as it is possible to do it.

Now there is no use talking about individual instances, and examples, and methods, because nobody in this country has got the thing absolutely clearly in mind yet. We are making definite progress toward it, and we have made very great progress since last spring in — what will I say? — not keeping it down, but in very greatly reducing the speed of the increase. So that in the last five or six months, the actual cost of

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living has only gone up a fraction of 1 percent. But you can't do that permanently. And if you can start it going up by increasing price ceilings in a store, for example, then you are on dangerous ground, and the whole spiral may gather speed again. But we are trying to stop it.

- Q. Mr. [Leon] Henderson said it might be that food prices might go up 30 percent, if they do it at the rate of  $2\frac{1}{2}$  percent a month.

THE PRESIDENT: Perfectly possible.

- Q. Do you think your plan will minimize that 30 percent?

THE PRESIDENT: Yes. That's the whole point. That's the objective: Reduce it down as far as possible to an absolute level. That's the objective. You can't always reach it in every article....

- Q. Mr. President, could you explain a little more what you mean by wage stabilization — clarify it as to whether it does mean the holding of its present level, or —

THE PRESIDENT: (*interposing*) Essentially. After all, let's talk about it in a common-sense way. Suppose the cost of food were to go up 30 percent. Do you think we should keep the national wage scale down to where it is now? I don't. But, on the other hand, if you keep the cost of food down to where it is now, why should labor get an advantage? We are all in the same boat, and we are going to make some pretty tough sacrifices — on the part of everybody — before we get through....

*NOTE:* See Items 91, 92, and notes, this volume, for the next steps in the President's efforts to stabilize the cost of living. See also references

cited in note to Item 91, this volume, for subsequent Presidential actions along this line.

*88. Dedication of Naval Medical Center*

88 ¶ Presidential Address at the Dedication of  
the Naval Medical Center, Bethesda, Maryland.  
August 31, 1942

IN THIS hospital that we are dedicating today in this green, peaceful Maryland countryside, our Navy battles against disease and disability and death.

Those who fight this vital battle here are anonymous heroes of this war — the officers, men, and women of the Bureau of Medicine and Surgery, which today celebrates its one hundredth anniversary. They are surgeons and nurses, scientists and technicians, who are part of a service extending throughout the world. On land and sea and in the air, they have carried on their unending fight "to keep as many men at as many guns as many days as possible."

The cornerstone of this hospital was laid by me on Armistice Day, 1940, less than two years ago. And since then I think we can look at it and say it's a job well done.

We were then at peace. But even then we could see the designs of our foes; we had already begun to arm on a vast scale to meet their attacks.

Less than a year later, men of our Navy were killed in action in the North Atlantic Sea. They were men of the destroyers *Kearny* and *Reuben James*, patrolling the sea lanes of the North Atlantic. These American ships were attacked by Nazi submarines — let us remember that — many weeks before their partners in crime, the Japanese, launched their attack on Pearl Harbor.

That day of Pearl Harbor — December 7, 1941 — contained the darkest hour in our Navy's history. Infamously attacked, seriously damaged, ships of our fleet were put out of commission, and more than three thousand of our men were killed or wounded.

In the months that followed — months without victories — our enemies taunted us with the question, "Where is the United States Navy?"

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Today, those enemies know the beginning of the answer to that question. They learned in the Atlantic; they learned in the Coral Sea; they learned off Midway; they are learning now in their attempts to recapture that which was taken from them in the Solomon Islands.

Where is the United States Navy?

It is there where it has always been. It is in there fighting. It is carrying out the command to hit our enemy, and to hit him again, wherever and whenever we can find him.

Battles cannot be fought and won without cost — we know that — and the cost may be heavy in ships and in men. The brave and skillful men and women of the Bureau of Medicine and Surgery are dedicated to the task of reducing the cost in men, saving lives on deck, in the engine room, in the gun turrets — alleviating suffering, restoring the wounded to their duties as fighters for the cause of freedom. In the sick bays of all the ships of our Navy, on all the seas, they are risking their own lives that other lives may be saved.

Today, in distant places, we are fighting battles the like of which have never before been known. In the Southwest Pacific, the ships and the planes of our fleet and of the Marine Corps, and the long-range bombers of our Army, are striking at the enemy from widely separated bases — and they are striking together. To carry on such battles to successful conclusion, men who fight on land and in the air must work in perfect unison with men who fight above the sea and on the sea and under the sea.

Warfare like that requires men of extraordinary physical alertness as well as exceptional daring. A split second lost in timing by one individual may cost innumerable lives. Therefore, it is not enough for the doctor to work out new methods of healing and cure. He must work out entirely new methods of preparing men for unprecedented combat conditions in submarines, and planes and tanks.

Without this work of conditioning, flesh and blood could not possibly meet the demands of this modern war. Men must be per-

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fectly attuned in their bodies, as they are perfectly prepared in their minds and hearts, for the fierce test of battle.

That remarkable progress has been achieved in this science can be attested by those of our enemies who have faced our men in battle. But this progress in prevention and cure must not and cannot be limited to the armed forces because of the simple fact that our whole population is involved in winning this total war.

For example, there are today far too many casualties among our civilian population. Why, the number of fatalities from automobile accidents alone last year was 40,000. How many of those deaths were preventable? The number of people injured in such accidents was almost a million and a half.

In industry last year the number of fatalities from accidents was 19,200. How many of those deaths were preventable? The number of people injured in industrial accidents was considerably in excess of two million, including over 100,000 people that were permanently disabled. Those are very startling figures, and should be remembered by every man, woman, and child in this crisis through which we are going.

Among those who have been killed or disabled were men and women who could have helped to build planes, tanks, ships, and guns — who could have served in civilian defense or in many other essential services. As a result of industrial accidents alone, quite apart from those which were fatal, the time lost last year reached the almost incredible total of 42,000,000 man-days.

It is not only our enemies who kill valuable Americans. Carelessness in driving on the highways, or in the operation of machines in factories, costs us many lives needed by our country in using every resource most effectively.

And we must remember that there is a national shortage of doctors and nurses. Every preventable civilian accident diverts sorely needed medical, surgical, and nursing care from the imperative requirements of our Army and Navy. It is not going too far to say that any civilians in the United States who, through reckless driving or through failure to take proper safety measures in industrial plants, kill or maim their fellow citizens are definitely doing injury to our sons and brothers who are fighting this

### *89. Address to International Student Assembly*

war in uniform. And similar injury to our armed forces is done by pedestrians or workers who, through thoughtlessness or carelessness, put themselves in harm's way.

Not all of us can participate in direct action against our enemies; but all of us can participate in the saving of our national manpower.

Three years ago tomorrow morning, on September 1, 1939, Hitler's legions launched their first blitzkrieg against the people of Poland. In these three years men, women, and children have died, and Nations have been tortured and enslaved, to satisfy the brutal lust for power of a few inhuman tyrants — German, Italian, and Japanese.

To the defeat of such tyrants — to the removal from this earth of the injustices and inequalities that create such tyrants and breed new wars — this Nation is wholly dedicated.

Let this hospital then stand, for all men to see throughout all the years, as a monument to our determination to work and to fight until the time comes when the human race shall have that true health in body and mind and spirit which can be realized only in a climate of equity and faith.

*NOTE:* See Item 134, pp. 571-573, 1940 volume, for the President's address at the laying of the cornerstone of the Naval Medical Center. The President personally took a hand in drafting the plans for the Naval Medical Center.

## 89 ¶ “The Better World . . . Will Be Made Possible Only by Bold Vision, Intelligent Planning, and Hard Work” — The President Addresses the International Student Assembly.

September 3, 1942

IT MAY interest the members of this Assembly of the International Student Service to know that during the past week the Axis radio has given unusual comment to your sessions, and to the speech which you are hearing at this moment.

### *89. Address to International Student Assembly*

Our listening stations have picked up an increasing volume of Axis broadcasts, including controlled stations in France, Hungary, The Netherlands, and elsewhere, referring to this meeting of the younger generation from all the United Nations in terms that are not complimentary, in terms of growing hate and, of course, complete falsehood. Our listening stations report that they expect that at this moment the air in all Axis-dominated Nations will be thoroughly jammed — blacked out — in order that no sound of what I am saying, either in English or in translation, will be heard by any restless young people who are under Hitler's heel.

The Nazi radio in Paris, for example, tells the youth of France that this man Roosevelt was solely responsible for the defeat of France; that Roosevelt is not qualified to address a message to the youth of the world because America is a Nation that has done nothing for youth.

Berlin reports that four French youth organizations have protested in advance against this speech, since this man Roosevelt must be blamed for the death of more than 100,000 young Frenchmen. Incidentally, it would be interesting to know how many real Frenchmen there are in these so-called French youth organizations.

And a radio in Tokyo says that I am admitting to you at this moment that my people in the United States are decadent — weaklings — playboys — spoiled by jazz music and Hollywood pictures. Of course, this broadcast from Tokyo did not originate from any of the Japanese who bumped into our playboys in the Southwest Pacific.

The reason for this hysterically defensive attitude toward this gathering is not hard to find. For many years they have made their hypocritical appeal to youth — they have tried, with all their blatant publicity, to represent themselves as the champions of youth.

But now the world knows that the Nazis, the Fascists, and the militarists of Japan have nothing to offer to youth — except death.

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On the other hand, the cause of the United Nations is the cause of youth itself. It is the hope of the new generation—and the generations that are to come—hope for a new life that can be lived in freedom, and justice, and decency.

This fact is becoming clearer every day to the young people of Europe, where the Nazis are trying to create youth organizations built on the Nazi pattern. It is not a pattern devised by youth for youth. It is a pattern devised by Hitler and imposed upon youth by a form of mental forcible feeding—a diet of false facts, distortions, and prohibitions—all backed up by the guns of the Gestapo.

If you have any doubt as to what the decent youth of Europe think about the false promises the Axis masters make to the young people of the world, look to the brave young men of France and all the occupied countries who prefer to face the firing squads rather than a lifetime of slavery and degradation under Hitler.

In such unfortunate countries as Finland, Hungary, Bulgaria, Rumania, and Italy, whose Governments have found it necessary to submit to Hitler and do his bidding, the Quislings have organized youth movements too—but these are only movements of youth by the tens of thousands to the slaughter of the Eastern front, where the Nazis need cannon fodder in their desperate attempts to shatter the stalwart Russian Army.

In China, heroic youth has stood steadfast for more than five years against all of Japan's attempts to seduce and disarm them with such transparent lies as the promise of "Asia for the Asiatics." For the Chinese know that this only means "All of creation enslaved by the Japanese."

We exult in the thought that it is the young, free men and women of the United Nations, and not the wound-up robots of the slave states, who will mold the shape of the new world.

The delegates to this International Student Assembly represent the 29 United Nations. They also represent, in spirit at least, the younger generation of many other Nations who, though they are not now actively at war on our side, are with us heart and soul in aspiring for a secure and peaceful world.

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Before the first World War, very few people in any country believed that youth had the right to speak for itself as a group or to participate in councils of state.

We have learned much since then. We know that wisdom does not come necessarily with years; that old men may be foolish, and young men may be wise. But in every war, it is the younger generation which bears the burden of combat and inherits all the ills that war leaves in its wake.

In the economic crises that followed the false prosperity after the first World War, many young men and women suffered even more than did their elders. For they were denied the primary opportunities for education, for training, for work, and even for food enough to build up healthy bodies. As a result, they were tempted to seek some simple remedy not only for their own individual problems, but for all of the problems that beset all of the world. Some listened to alien, siren voices that offered glib answers to all the questions they asked. "Democracy is dead," said these voices. "Follow us, and we will teach you efficiency. We will lead you to world conquest. We will give you power over inferior races. And all that we ask you to give in return is — your freedom."

Other young people in the democracies listened to gospels of despair. They took refuge in cynicism, and in bitterness.

However, the day finally came when all theory had to give way to fact — the terrible, tangible fact of dive bombers, and panzer divisions, the actual threat to the security of every home and every family in every free country in the world. And when that fact became clear to our youth they answered the call to arms — many millions of them; and, today, they are determined to fight until the forces of aggression have been utterly destroyed.

What I am saying here in Washington is being heard by several million American soldiers, sailors, and marines, not only within the continental limits of the United States, but in far distant points — in Central and South America, in the islands of the Atlantic, in Britain and Ireland, on the coasts of Africa, in Egypt, in Iraq and Iran, in Russia, in India, in China, in Australia, in

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New Zealand, in many islands of the Pacific, and on all the seas of the world. There — in those distant places — are our fighting men.

And to them I should like to deliver a special message, from their Commander in Chief, and from the very hearts of their countrymen:

You young Americans today are conducting yourselves in a manner that is worthy of the highest, proudest traditions of our Nation.

No pilgrims who landed on the uncharted New England coast, no pioneers who forced their way through the trackless wilderness, showed greater fortitude, greater determination, than you are showing now.

Neither your own fathers, in 1918, nor your fathers' fathers, in 1863 or 1776, fought with greater gallantry or more selfless devotion to duty and country than you are now displaying on battlefields far from home.

And what is more, you know why you are fighting. You know that the road that has led you to the Solomon Islands, or to the Red Sea, or to the coast of France, is in fact an extension of Main Street, and that when you fight, anywhere along that road, you are fighting in the defense of your own homes, your own free schools, your own churches, your own ideals.

We here at home are supremely conscious of our obligations to you, now and in the future. We will not let you down.

We know that in the minds of many of you are thoughts of interrupted education, interrupted careers, delayed opportunities for getting a job. The solution of such problems cannot be left, as it was the last time, to mere chance. This Government has accepted the responsibility for seeing to it that, wherever possible, work has been provided for those who were willing and able, but who could not find work. That responsibility will continue after the war. And when you come home, we do not propose to involve you, as last time, in a domestic economic mess of our own making.

You are doing first things first — fighting to win this war. For

## *89. Address to International Student Assembly*

you know that should this war be lost, all our plans for the peace to follow would be meaningless.

Victory is essential; but victory is not enough for you — or for us. We must be sure that when you have won victory, you will not have to tell your children that you fought in vain — that you were betrayed. We must be sure that in your homes there will not be want — that in your schools only the living truth will be taught — that in your churches there may be preached without fear a faith in which men may deeply believe.

The better world for which you fight — and for which some of you give your lives — will not come merely because we shall have won the war. It will not come merely because we wish very hard that it would come. It will be made possible only by bold vision, intelligent planning, and hard work. It cannot be brought about overnight; but only by years of effort and perseverance and unfaltering faith.

You young soldiers and sailors, farmers and factory workers, artists and scholars, who are fighting our way to victory now, all of you will have to take your part in shaping that world. You will earn it by what you do now; but you will not attain it if you leave the job for others to do alone. When you lay aside your gun at the end of the war, you cannot at the same time lay aside your duty to the future.

What I have said to our American soldiers and sailors applies to all the young men and women of the United Nations who are facing our common enemies. There is a complete unanimity of spirit among all the youth of all kinds and kindreds who fight to preserve or to regain their freedom.

In Norway and Holland, Belgium and France, Czechoslovakia and Poland, Serbia and Greece, there is a fighting spirit that defies the harsh oppression, the barbarous cruelty and terrorism of the Nazis. Although disarmed, the unconquerable people still strike at their oppressors. Although forbidden to know the truth, they listen at the risk of their lives to radio broadcasts from afar; and, by word of mouth and by secret information and newspapers passed from one patriot to another, they still spread the

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truth. When the time comes for these peoples to rise, Hitler's New Order will be destroyed by the hands of its own victims.

Today the embattled youth of Russia and China are realizing a new individual dignity, casting off the last links of the ancient chains of imperial despotism which had bound them so long.

This is a development of historic importance. It means that the old term, "Western civilization," no longer applies. World events and the common needs of all humanity are joining the culture of Asia with the culture of Europe and the culture of the Americas to form, for the first time, a real world civilization.

In the concept of the four freedoms, in the basic principles of the Atlantic Charter, we have set for ourselves high goals, unlimited objectives.

These concepts, and these principles, are designed to form a world in which men, women, and children can live in freedom and in equity and, above all, without fear of the horrors of war. For no soldiers or sailors, in any of our forces today, would so willingly endure the rigors of battle if they thought that in another twenty years their own sons would be fighting still another war on distant deserts or seas or in faraway jungles or in the skies.

We have profited by our past mistakes. This time we shall know how to make full use of victory. This time the achievements of our fighting forces will not be thrown away by political cynicism and timidity and incompetence.

There is still, however, a handful of men and women, in the United States and elsewhere, who mock and sneer at the four freedoms and the Atlantic Charter. They are few in number; but some of them have the financial power to give our enemies the false impression that they have a large following among our citizenry. They play petty politics in a world crisis. They fiddle with many sour notes while civilization burns. These puny prophets decry our determination to implement our high concepts and our sound principles. And the words of these little men of little faith are quoted with gleeful approval by the press and the radio of our enemies.

We are deeply aware that we cannot achieve our goals easily.

## *90. Statement on Labor Day*

We cannot attain the fullness of all of our ideals overnight. We know that this is to be a long and hard and bitter fight — and that there will still be an enormous job for us to do long after the last German, Japanese, and Italian bombing planes have been shot to earth.

But we do believe that, with divine guidance, we can make — in this dark world of today, and in the new postwar world of tomorrow — a steady progress toward the highest goals that men have ever imagined.

We of the United Nations have the technical means, the physical resources, and, most of all, the adventurous courage and the vision and the will that are needed to build and sustain the kind of world order which alone can justify the tremendous sacrifices now being made by our youth.

But we must keep at it — we must never relax, never falter, never fear — and we must keep at it together.

We must maintain the offensive against evil in all its forms. We must work, and we must fight to insure that our children shall have and shall enjoy in peace their inalienable rights to freedom of speech, freedom of religion, freedom from want, and freedom from fear.

Only on those bold terms can this total war result in total victory.

## 90 ¶ A Statement on Labor Day.

September 5, 1942

THERE has never been a Labor Day as significant as this one. In a great many countries free labor has ceased to exist; a blackout of freedom has darkened Europe from the tip of Norway to the shores of the Aegean and sturdy working men who once walked erect in the sun now stumble and cower beneath the lash of the slavemasters. The rights of free labor and free men have vanished in the conquered lands. They are threatened and besieged everywhere.

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This is indeed labor's grave hour as it is the grave hour of the farmer, the industrialist, the teacher and preacher, the aproned housewife, the smallest child in the cradle. All these are the beneficiaries and heirs of the democratic system, and it is democracy itself that the evil men of West and East hate and seek to destroy.

Happily, our good right arm is strong and growing stronger. In our own country, in the countries of our brother allies, the people who live by the sweat of their brows have risen mightily to the challenge of the struggle. They have given their sons to the military services. They have stoked the furnaces and hurried the factory wheels. They have made the planes and welded the tanks, riveted the ships and rolled the shells. Production of war materials here is now the greatest in our history, but it is not yet enough. It will be greater still.

This is an appropriate occasion to express my appreciation to the working people of the United States for the energy and devotion with which they have met the demands of the present crisis. They know what it is to work until muscles ache. They know what it means to be weary when the whistle blows at the end of the shift.

They know, too, that democracy has made labor's advances possible. They know just what stake they have in America, just what they are fighting for. There are certain to be stormy days ahead. Laborers, farmers, industrialists, all of us, are pledged to the war effort. We are certain to be asked for sacrifices. These may be sacrifices of wage increases, crop price increases, profit increases, bodily comforts. All this is little enough for free men to sacrifice in a world where freedom is imperiled.

*91. Message to Congress on Stabilization*

# 91 ¶ Message to the Congress Asking for Quick Action to Stabilize the Economy.

September 7, 1942

*To the Congress:*

FOUR months ago, on April 27, 1942, I laid before the Congress a seven-point national economic policy designed to stabilize the domestic economy of the United States for the period of the war. The objective of that program was to prevent any substantial further rise in the cost of living.

It is not necessary for me to enumerate again the disastrous results of a runaway cost of living — disastrous to all of us, farmers, laborers, businessmen, the Nation itself. When the cost of living spirals upward, everybody becomes poorer, because the money he has and the money he earns buys so much less. At the same time the cost of the war, paid ultimately from taxes of the people, is needlessly increased by many billions of dollars. The national debt, at the end of the war, would become unnecessarily greater. Indeed, the prevention of a spiraling domestic economy is a vital part of the winning of the war itself.

I reiterate the seven-point program which I presented April 27, 1942:

1. To keep the cost of living from spiraling upward, we must tax heavily, and in that process keep personal and corporate profits at a reasonable rate, the word "reasonable" being defined at a low level.
2. To keep the cost of living from spiraling upward, we must fix ceilings on the prices which consumers, retailers, wholesalers, and manufacturers pay for the things they buy; and ceilings on rents for dwellings in all areas affected by war industries.
3. To keep the cost of living from spiraling upward, we must stabilize the remuneration received by individuals for their work.
4. To keep the cost of living from spiraling upward, we must stabilize the prices received by growers for the products of their lands.

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5. To keep the cost of living from spiraling upward, we must encourage all citizens to contribute to the cost of winning this war by purchasing war bonds with their earnings instead of using those earnings to buy articles which are not essential.

6. To keep the cost of living from spiraling upward, we must ration all essential commodities of which there is a scarcity, so that they may be distributed fairly among consumers and not merely in accordance with financial ability to pay high prices for them.

7. To keep the cost of living from spiraling upward, we must discourage credit and installment buying, and encourage the paying off of debts, mortgages, and other obligations; for this promotes savings, retards excessive buying, and adds to the amount available to the creditors for the purchase of war bonds.

In my message of four months ago, I pointed out that in order to succeed in our objective of stabilization it was necessary to move on all seven fronts at the same time; but that two of them called for legislation by the Congress before action could be taken. It was obvious then, and it is obvious now, that unless those two are realized, the whole objective must fail. These are points numbered one and four: namely, an adequate tax program, and a law permitting the fixing of price ceilings on farm products at parity prices.

I regret to have to call to your attention the fact that neither of these two essential pieces of legislation has as yet been enacted into law. That delay has now reached the point of danger to our whole economy.

However, we are carrying out, by executive action, the other parts of the seven-point program which did not require Congressional action.

Price ceilings have been fixed on practically all commodities (other than certain exempted agricultural products), and on rents in war production areas of the United States.

This process of keeping prices and rents at reasonable levels constitutes one of the most far-reaching economic steps that this Nation has ever taken — in time of peace or war.

Our experience during the last four months has proved that

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general control of prices is possible—but only if that control is all-inclusive. If, however, the costs of production, including labor, are left free to rise indiscriminately, or if other major elements in the costs of living are left unregulated, price control becomes impossible. If markets are flooded with purchasing power in excess of available goods, without taking adequate measures to siphon off the excess purchasing power, price control becomes likewise impossible.

Our entire effort to hold the cost of living at its present level is now being sapped and undermined by further increases in farm prices and in wages, and by an ever-continuing pressure on prices resulting from the rising purchasing power of our people.

Annual wage and salary disbursements have increased from 43.7 billion dollars in 1939 to an estimated 75 billion dollars in 1942. This represents an increase of 71 percent. To obtain a full appreciation of what that increase means, we should remember that 75 billion dollars is more than our total national income was during any single year in the 1930's. Due to constantly increasing employment, overtime, and wage rate increases, the annual wage and salary bill for the entire country has been rising by more than a billion dollars a month.

It is impossible for the cost of living to be stabilized while farm prices continue to rise. You cannot expect the laborer to maintain a fixed wage level if everything he wears and eats begins to go up drastically in price. On the other hand, it is impossible to keep any prices stable—farm prices or other prices—if wage rates, one of the most important elements in the cost of production, continue to increase.

But even if the process of stabilization of all prices and wages at present levels were to be brought about, there would still remain the great upward pressure on the cost of living created by the vast amount of purchasing power which has been earned in all sections of the country. The national income has been increasing since January 1, 1941, at the average rate of 2 percent each month. This purchasing power now exceeds by an estimated twenty billions the amount of goods which will be avail-

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able for purchase by civilians this year. The result obviously is that people compete more and more for the available supply of goods; and the pressure of this great demand compared with the small supply — which will become smaller and smaller — continually threatens to disrupt our whole price structure.

A recent study by the Bureau of Labor Statistics has shown very strikingly how much the incomes of the average of families have gone up during the first quarter of 1942. If we assume that the income for the first quarter of 1942 is a fair basis for estimating what the family income will be for the entire year, the results of the study show that whereas less than *one-fourth* of all families in the United States received as much as \$2,500 in 1941, more than *one-third* will have \$2,500 or more in 1942. This shows how much the purchasing power of the average American family has gone up as a result of war production and how essential it is to control that purchasing power by taxation and by investment in war bonds.

We also know that as the war goes on there will not be an adequate supply of all civilian goods; that only through strict rationing, wherever necessary, will these goods be equitably distributed. We are determined that no group shall suffer a shrinkage of its normal quota of basic necessities because some richer group can buy all the available supply at high prices.

In normal peace times the ordinary processes of collective bargaining are sufficient in themselves. But in war times and particularly in times of greatly increasing prices, the Government itself has a very vital interest in seeing to it that wages are kept in balance with the rest of the economy. It is still the policy of the Federal Government to encourage free collective bargaining between employers and workers; and that policy will continue. Owing to the fact that costs of production are now, in so many cases, being passed on to the Government, and that so large a percentage of profits would be taken away by taxation, collective bargaining between employers and employees has changed a great deal from what it was in peace times. In times of danger to our economy the Government itself must step into the situation

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to see to it that the processes of collective bargaining and arbitration and conciliation are not permitted to break up the balances between the different economic factors in our system.

War calls for sacrifice. War makes sacrifice a privilege. That sacrifice will have to be expressed in terms of a lack of many of the things to which we all have become accustomed. Workers, farmers, white-collar people, and businessmen must expect that. No one can expect that, during the war, he will always be able to buy what he can buy today.

If we are to keep wages effectually stabilized, it becomes imperative, in fairness to the worker, to keep equally stable the cost of food and clothing and shelter and other articles used by workers.

Prices and rents should not be allowed to advance so drastically ahead of wage rates that the real wages of workers as of today — their ability to buy food and clothing and medical care — will be cut down. For if the cost of living goes up as fast as it is threatening to do in the immediate future, it will be unjust, in fact impossible, to deny workers rises in wages which would meet at least a part of that increase.

The cost of all food used by wage earners — controlled and uncontrolled — has been going up at the rate of  $1\frac{1}{4}$  percent per month since the price ceilings were set in May, 1942. If this rise should be permitted to continue, the increased cost of food to wage earners next May would be more than 15 percent over the level which existed when the ceilings were set.

This would be equal to imposing a 15 percent sales tax on all food purchased by wage earners. Obviously no one would consider imposing such a tax.

This drastic increase has been caused, and will be caused, chiefly by the fact that a number of food commodities are exempt under existing law.

In the case of these exempt commodities the increases are even more startling. The cost of such food used by wage earners has been rising at an average of  $3\frac{1}{4}$  percent per month since May 1, 1942.

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Prices received by farmers have risen 85 percent since the outbreak of the war in September, 1939, and these prices are continuing to rise. Cash farm income, including Government payments, has increased from 8.7 billion dollars in 1939 to substantially more than 15 billion dollars in 1942. This is an increase of about 75 percent.

The movement of uncontrolled food prices since May 18, 1942, the date when price regulation became effective, has been so drastic as to constitute an immediate threat to the whole price structure, to the entire cost of living, and to any attempt to stabilize wages.

Within two months after the date that price regulation became effective, the prices of controlled foods actually fell  $\frac{7}{10}$  of 1 percent. But uncontrolled foods advanced 7.3 percent during the same period, and are still going up.

To give some specific examples: From May to August of this year round steak and pork chops, which are controlled, showed a slight decline; but during the same period lamb, which was uncontrolled up to July, advanced more than 10 percent and chickens have advanced more than 16 percent.

To take another example: Lard, which is a controlled product, dropped nearly 5 percent; whereas butter, which is uncontrolled, went up more than 6 percent or twice the normal seasonal rate. Oranges have gone up more than 25 percent, although the normal seasonal increase is only about 6 or 7 percent.

Uncontrolled agricultural commodities include some of the most important of the foods and include the grain foods necessary for livestock. When you consider that in this category are wheat, corn, oats, barley, rye, dry beans, cotton, sweet potatoes, apples, sheep, butter fat, wholesale milk, chickens, eggs, and oranges, you can realize how important these products are to the pocketbook of the housewife.

The greatest danger is in dairy products, which are, as you know, most important items in the American diet. Butter, cheese, or evaporated milk are exempt under the Price Control Act. The prices for these have been going up so fast that they

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constitute a serious threat to an adequate supply of fluid milk. Unless we are able to get control of butter, cheese, and other dairy products in the very near future, the price of milk in large cities is certain to go up.

If wages should be stabilized and farm prices be permitted to rise at any rate like the present rate, workers will have to bear the major part of the increase. This we cannot ask. The Congress must realize that unless the existing control over farm prices is strengthened, we must abandon our efforts to stabilize wages and salaries and the cost of living. If that occurs, workers and farmers alike will not only suffer a reduction in real income, but will bring upon themselves and the Nation the unparalleled disaster of unchecked inflation.

The reason why price ceilings have not already been imposed on all food products is, as you know, that paragraph 3 of the Emergency Price Control Act prohibits such ceilings until farm prices as a whole have gone up beyond parity prices — far beyond — as high as an average of 16 percent beyond.

Although that restriction upon establishing ceilings for farm products usually is referred to as the 110 percent of parity limitation, it is much worse than that. The statute provides other limitations which are more drastic. Ceilings cannot be imposed, under the statute, on any product at a level below the market price on October 1, 1941, or December 15, 1941, or the average price for the period July 1, 1919, to June 30, 1929, or below 110 percent of current parity, whichever of those four levels is highest. As a result, the lowest average level for all farm commodities at which ceilings may be imposed is not 110 percent, but 116 percent of parity — some of the commodities going almost as high as 150 percent of parity.

Even more important is the psychological effect of such unfair privilege. It provides fuel for fires of resentment against farmers as a favored class. After all, parity is, by its very definition, a fair relationship between the prices of the things farmers sell and the things they buy. Calculations of parity must include all costs of production including the cost of labor. As a result parity

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prices may shift every time wage rates shift. Insisting that the ceilings on no farm commodity shall ever be lower than 110 percent of parity is asking for more than a fair price relationship with other prices.

In fact, the limitations on agricultural ceilings are now being cited by other groups as a reason for resisting economic controls that are needed in their own fields. The limitations will be a rallying point for such opposition as long as they are in effect.

As I urged in my message of April 27, 1942, "the original and excellent objective of obtaining parity for the farmers of the United States should be restored."

Our policy with respect to farm products should be guided by three principles: first, to hold the line against inflationary price increases; second, to get the required production of necessary farm products; third, to maintain the principle of parity for agriculture.

Agricultural ceilings should be permitted at either parity or at the price levels which prevailed at some recent date, whichever is higher. In most cases the formula would preserve the general structure of wholesale and retail price controls, and would also call out the volume of production needed. Also, it would preserve the parity principle.

In regard to increasing the total of our food production, one of the worries that a farmer has today is the shortage of labor for cultivating and harvesting crops. The time is soon coming when in many parts of the country we shall have to use seasonally the help of women and grown young people. I feel certain the Nation will cooperate wholeheartedly.

It not only would be unfair to labor to stabilize wages and do nothing about the cost of food; it would be equally unfair to the farmer. For we must all remember that the farmer's wife buys many articles of food at the store for the use of her own family, and high prices hurt her pocketbook as much as that of the city housewife.

What is needed, therefore, is an over-all stabilization of prices, salaries, wages, and profits. That is necessary to the continued

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production of planes and tanks and ships and guns at the present constantly increasing rate.

We cannot hold the actual cost of food and clothing down to approximately the present level beyond October first. But no one can give any assurances that the cost of living can be held down after that date.

Therefore, I ask the Congress to pass legislation under which the President would be specifically authorized to stabilize the cost of living, including the prices of all farm commodities. The purpose should be to hold farm prices at parity, or at levels of a recent date, whichever is higher.

I ask the Congress to take this action by the first of October. Inaction on your part by that date will leave me with an inescapable responsibility to the people of this country to see to it that the war effort is no longer imperiled by threat of economic chaos.

In the event that the Congress should fail to act, and act adequately, I shall accept the responsibility, and I will act.

At the same time that farm prices are stabilized, wages can and will be stabilized also. This I will do.

The President has the powers, under the Constitution and under Congressional Acts, to take measures necessary to avert a disaster which would interfere with the winning of the war.

I have given the most thoughtful consideration to meeting this issue without further reference to the Congress. I have determined, however, on this vital matter to consult with the Congress.

There may be those who will say that, if the situation is as grave as I have stated it to be, I should use my powers and act now. I can only say that I have approached this problem from every angle, and that I have decided that the course of conduct which I am following in this case is consistent with my sense of responsibility as President in time of war, and with my deep and unalterable devotion to the processes of democracy.

The responsibilities of the President in wartime to protect the Nation are very grave. This total war, with our fighting fronts

## *91. Message to Congress on Stabilization*

all over the world, makes the use of executive power far more essential than in any previous war.

If we were invaded, the people of this country would expect the President to use any and all means to repel the invader.

The Revolution and the War Between the States were fought on our own soil but today this war will be won or lost on other continents and remote seas.

I cannot tell what powers may have to be exercised in order to win this war.

The American people can be sure that I will use my powers with a full sense of my responsibility to the Constitution and to my country. The American people can also be sure that I shall not hesitate to use every power vested in me to accomplish the defeat of our enemies in any part of the world where our own safety demands such defeat.

When the war is won, the powers under which I act automatically revert to the people — to whom they belong.

In March and April, 1933, this Nation faced a threatening domestic situation calling for the most drastic measures. The Congress, alive to the needs of that day, formulated and enacted whatever was required to do the job before it — without long debate, without party politics, and without heed to the pressures of any special group looking for advantages for itself.

I need not argue the point that the situation facing the Nation today is infinitely more critical than it was ten years ago. We are fighting a war of survival. Nothing can yield to the overall necessity of winning this war, and the winning of the war will be imperiled by a runaway domestic economy.

As a part of our general program on farm prices, I recommend that Congress in due time give consideration to the advisability of legislation which would place a floor under prices of farm products, in order to maintain stability in the farm market for a reasonable future time. In other words, we should find a practicable method which will not only enable us to place a reasonable ceiling or maximum price upon farm products but which will enable us also to guarantee to the farmer that he would re-

## *91. Message to Congress on Stabilization*

ceive a fair minimum price for his product for one year, or even two years — or whatever period is necessary after the end of the war. Every farmer remembers what happened to his prices after the last war. We can, I am sure, if we act promptly and wisely, stabilize the farmers' economy so that the postwar disaster of 1920 will not overtake him again.

The farmer, instead of looking forward to a new collapse in farm prices at the end of the war, should be able to look forward with assurance to receiving a fair minimum price for one or two years after the war. Such a national policy could be established by legislation.

In computing parity, we should continue to use the computations of the Bureau of Agricultural Economics made under the law as it stands today. And in determining whether a commodity has reached parity, we should include all the benefits received by the farmer from his Government under the A.A.A. program, allocable to the particular commodity. For it is unfair to give a farmer a parity price, and, in addition, to pay him benefits which will give him far more than parity.

I have confidence that the American farmer who has been doing so much in the battle of production of food will do as much in this struggle against economic forces which make for the disaster of inflation; for nobody knows better than the farmer what happens when inflationary, wartime booms are permitted to become postwar panics.

With respect to point seven of the program of April 27, 1942, we have made certain credit rulings designed to curtail unnecessary buying; and whatever else has to be done along these lines will be done.

With respect to point six, rationing is now in effect on some commodities, and, when necessary, will be extended to others.

But with respect to point one — a fair tax program — that still waits upon the Congress to act.

One of the most powerful weapons in our fight to stabilize living costs is taxation. It is a powerful weapon because it reduces the competition for consumers' goods — especially scarce foods.

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The cooperation and self-restraint of the whole Nation will be required to stabilize the cost of living. The stabilization of the cost of living cannot be maintained without heavy taxes on everyone except persons with very low incomes. With such increases in the tax load, unfair tax distribution becomes less and less tolerable. We can rightfully expect the fullest cooperation and self-restraint only if the tax burden is being fairly levied in accordance with ability to pay.

This means that we must eliminate the tax exemption of interest on State and local securities, and other special privileges or loopholes in our tax law.

It means that in the higher income brackets, the tax rate should be such as to give the practical equivalent of a top limit on an individual's net income after taxes, approximating \$25,000. It means that we must recapture through taxation all wartime profits that are not necessary to maintain efficient all-out war production. Such provisions will give assurance that the sacrifices required by war are being equitably shared.

Next to military and naval victory, a victory along this economic front is of paramount importance. Without it our war production program will be hindered. Without it we would be allowing our young men, now risking their lives in the air, on land, and on the sea, to return to an economic mess of our own making.

The least that we at home can do for them is to see that our production increases every day so as to give them the weapons of war with which to fight, and to make sure that our economy at home continues to be one to which they can return with confidence and security.

*NOTE:* In the foregoing message to the Congress and the radio address to the Nation delivered the same day (see Item 92, this volume), the President once again urged the enactment of legislation which would stabilize the cost of living.

On April 27, 1942, the President had outlined to the Congress a seven-point anti-inflation program (see Item 47 and note, this volume). To achieve two of the points in this program — tax legislation and authority to control food prices more

## *92. Fireside Chat on Cost of Living*

effectively — the President had asked for Congressional action. As he stated in his message, it would have been possible for the Executive to take the necessary action himself, without the Congress, to avert a disaster which would interfere with the winning of the war. There was considerable debate during the summer of 1942 as to whether the President, in the face of Congressional refusal to act, should issue an Executive Order to carry out the objectives of his stabilization program. As early as July, 1942, an Executive Order had been drafted to give administrative agencies the necessary powers to check inflation on a wide front.

But the President rejected the proposal to proceed solely by exec-

utive action and insisted upon the more conservative course of looking to the Congress for authorization. It was not the President's intention in choosing this course either to avoid responsibility or to do nothing. That is evidenced by his statement that if the Congress failed to act before October 1, he would accept the responsibility and act alone under his executive powers.

Congress began consideration of a stabilization bill almost immediately, and a Stabilization Act was sent to the White House and signed by the President on October 2 (56 Stat. 765).

(See Item 97 and note, this volume, for discussion of the Stabilization Act and the creation of the O.E.S.)

## 92 ¶ “If the Vicious Spiral of Inflation Ever Gets Under Way, the Whole Economic System Will Stagger” — Fireside Chat on the Cost of Living and the Progress of the War. September 7, 1942

I WISH that all the American people could read all the citations for various medals recommended for our soldiers, sailors, and marines. I am picking out one of these citations which tells of the accomplishments of Lieutenant John James Powers, United States Navy, during three days of the battles with Japanese forces in the Coral Sea.

During the first two days, Lieutenant Powers, flying a dive bomber in the face of blasting enemy anti-aircraft fire, demolished one large enemy gunboat, put another gunboat out of commission, severely damaged an aircraft tender and a 20,000-ton

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transport, and scored a direct hit on an aircraft carrier which burst into flames and sank soon after.

The official citation then describes the morning of the third day of battle. As the pilots of his squadron left the ready room to man their planes, Lieutenant Powers said to them, "Remember, the folks back home are counting on us. I am going to get a hit if I have to lay it on their flight deck."

He led his section down to the target from an altitude of 18,000 feet, through a wall of bursting anti-aircraft shells and swarms of enemy planes. He dived almost to the very deck of the enemy carrier, and did not release his bomb until he was sure of a direct hit. He was last seen attempting recovery from his dive at the extremely low altitude of 200 feet, amid a terrific barrage of shell and bomb fragments, smoke, flame and debris from the stricken vessel. His own plane was destroyed by the explosion of his own bomb. But he had made good his promise to "lay it on their flight deck."

I have received a recommendation from the Secretary of the Navy that Lieutenant John James Powers of New York City, missing in action, be awarded the Medal of Honor. I hereby and now make this award.

You and I are "the folks back home" for whose protection Lieutenant Powers fought and repeatedly risked his life. He said that we counted on him and his men. We did not count in vain. But have not those men a right to be counting on us? How are we playing our part "back home" in winning this war?

The answer is that we are not doing enough.

Today I sent a message to the Congress, pointing out the overwhelming urgency of the serious domestic economic crisis with which we are threatened. Some call it "inflation," which is a vague sort of term, and others call it a "rise in the cost of living," which is much more easily understood by most families.

That phrase, "the cost of living," means essentially what a dollar can buy.

From January 1, 1941, to May of this year, nearly a year and a half, the cost of living went up about 15 percent. And at that

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point last May we undertook to freeze the cost of living. But we could not do a complete job of it, because the Congressional authority at the time exempted a large part of farm products used for food and for making clothing, although several weeks before, I had asked the Congress for legislation to stabilize all farm prices.

At that time I had told the Congress that there were seven elements in our national economy, all of which had to be controlled; and that if any one essential element remained exempt, the cost of living could not be held down.

On only two of these points — both of them vital, however — did I call for Congressional action. These two vital points were: first, taxation; and second, the stabilization of all farm prices at parity.

“Parity” is a standard for the maintenance of good farm prices. It was established as our national policy in 1933. It means that the farmer and the city worker are on the same relative ratio with each other in purchasing power as they were during a period some thirty years before — at a time when the farmer had a satisfactory purchasing power. One hundred percent of parity, therefore, has been accepted by farmers as the fair standard for the prices they receive.

Last January, however, the Congress passed a law forbidding ceilings on farm prices below 110 percent of parity on some commodities. And on other commodities the ceiling was even higher, so that the average possible ceiling is now about 116 percent of parity for agricultural products as a whole.

This act of favoritism for one particular group in the community increased the cost of food to everybody — not only to the workers in the city or in the munitions plants, and their families, but also to the families of the farmers themselves.

Since last May, ceilings have been set on nearly all commodities, rents, and services, except the exempted farm products. Installment buying, for example, has been effectively controlled.

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Wages in certain key industries have been stabilized on the basis of the present cost of living.

But it is obvious to all of us that if the cost of food continues to go up, as it is doing at present, the wage earner, particularly in the lower brackets, will have a right to an increase in his wages. I think that would be essential justice and a practical necessity.

Our experience with the control of other prices during the past few months has brought out one important fact — the rising cost of living can be controlled, providing that all elements making up the cost of living are controlled at the same time. I think that also is an essential justice and a practical necessity. We know that parity prices for farm products not now controlled will not put up the cost of living more than a very small amount; but we also know that if we must go up to an average of 116 percent of parity for food and other farm products — which is necessary at present under the Emergency Price Control Act before we can control all farm prices — the cost of living will get well out of hand. We are face to face with this danger today. Let us meet it and remove it.

I realize that it may seem out of proportion to you to be overstressing these economic problems at a time like this, when we are all deeply concerned about the news from far distant fields of battle. But I give you the solemn assurance that failure to solve this problem here at home — and to solve it now — will make more difficult the winning of this war.

If the vicious spiral of inflation ever gets under way, the whole economic system will stagger. Prices and wages will go up so rapidly that the entire production program will be endangered. The cost of the war, paid by taxpayers, will jump beyond all present calculations. It will mean an uncontrollable rise in prices and in wages, which can result in raising the over-all cost of living as high as another 20 percent soon. That would mean that the purchasing power of every dollar that you have in your pay envelope, or in the bank, or included in your insurance policy or your pension, would be reduced to about eighty cents'

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worth. I need not tell you that this would have a demoralizing effect on our people, soldiers and civilians alike.

Over-all stabilization of prices, salaries, wages, and profits is necessary to the continued increasing production of planes and tanks and ships and guns.

In my Message to Congress today, I have said that this must be done quickly. If we wait for two or three or four or six months it may well be too late.

I have told the Congress that the Administration cannot hold the actual cost of food and clothing down to the present level beyond October first.

Therefore, I have asked the Congress to pass legislation under which the President would be specifically authorized to stabilize the cost of living, including the price of all farm commodities. The purpose should be to hold farm prices at parity, or at levels of a recent date, whichever is higher. The purpose should also be to keep wages at a point stabilized with today's cost of living. Both must be regulated at the same time; and neither one of them can or should be regulated without the other.

At the same time that farm prices are stabilized, I will stabilize wages.

That is plain justice — and plain common sense.

And so I have asked the Congress to take this action by the first of October. We must now act with the dispatch which the stern necessities of war require.

I have told the Congress that inaction on their part by that date will leave me with an inescapable responsibility to the people of this country to see to it that the war effort is no longer imperiled by the threat of economic chaos.

As I said in my Message to the Congress:

In the event that the Congress should fail to act, and act adequately, I shall accept the responsibility, and I will act.

The President has the powers, under the Constitution and under Congressional Acts, to take measures necessary to avert a disaster which would interfere with the winning of the war.

I have given the most careful and thoughtful consideration to

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meeting this issue without further reference to the Congress. I have determined, however, on this vital matter to consult with the Congress.

There may be those who will say that, if the situation is as grave as I have stated it to be, I should use my powers and act now. I can only say that I have approached this problem from every angle, and that I have decided that the course of conduct which I am following in this case is consistent with my sense of responsibility as President in time of war, and with my deep and unalterable devotion to the processes of democracy.

The responsibilities of the President in wartime to protect the Nation are very grave. This total war, with our fighting fronts all over the world, makes the use of the executive power far more essential than in any previous war.

If we were invaded, the people of this country would expect the President to use any and all means to repel the invader.

The Revolution and the War Between the States were fought on our own soil, but today this war will be won or lost on other continents and in remote seas. I cannot tell what powers may have to be exercised in order to win this war.

The American people can be sure that I will use my powers with a full sense of responsibility to the Constitution and to my country. The American people can also be sure that I shall not hesitate to use every power vested in me to accomplish the defeat of our enemies in any part of the world where our own safety demands such defeat.

And when the war is won, the powers under which I act will automatically revert to the people of the United States — to the people to whom those powers belong.

I think I know the American farmers. I know they are as wholehearted in their patriotism as any other group. They have suffered from the constant fluctuations of farm prices — occasionally too high, more often too low. Nobody knows better than farmers the disastrous effects of wartime inflationary booms, and postwar deflationary panics.

So I have also suggested today that the Congress make our

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agricultural economy more stable. I have recommended that in addition to putting ceilings on all farm products now, we also place a definite floor under those prices for a period beginning now, continuing through the war, and for as long as necessary after the war. In this way we will be able to avoid the collapse of farm prices that happened after the last war. The farmers must be assured of a fair minimum price during the readjustment period which will follow the great, excessive world food demands which now prevail.

We must have some floor under farm prices, as we have under wages, if we are to avoid the dangers of a postwar inflation on the one hand, or the catastrophe of a crash in farm prices and wages on the other.

Today I have also advised the Congress of the importance of speeding up the passage of the tax bill. The Federal Treasury is losing millions of dollars each and every day because the bill has not yet been passed. Taxation is the only practical way of preventing the incomes and profits of individuals and corporations from getting too high.

I have told the Congress once more that all net individual incomes, after payment of all taxes, should be limited effectively by further taxation to a maximum net income of \$25,000 a year. And it is equally important that corporate profits should not exceed a reasonable amount in any case.

The Nation must have more money to run the war. People must stop spending for luxuries. Our country needs a far greater share of our incomes.

For this is a global war, and it will cost this Nation nearly \$100,000,000,000 in 1943.

In that global war there are now four main areas of combat; and I should like to speak briefly of them, not in the order of their importance, for all of them are vital and all of them are interrelated.

1. The Russian front. Here the Germans are still unable to gain the smashing victory which, almost a year ago, Hitler announced he had already achieved. Germany has been able to

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capture important Russian territory. Nevertheless, Hitler has been unable to destroy a single Russian Army; and this, you may be sure, has been, and still is, his main objective. Millions of German troops seem doomed to spend another cruel and bitter winter on the Russian front. Yes, the Russians are killing more Nazis, and destroying more airplanes and tanks than are being smashed on any other front. They are fighting not only bravely but brilliantly. In spite of any setbacks Russia will hold out, and with the help of her allies will ultimately drive every Nazi from her soil.

2. The Pacific Ocean area. This area must be grouped together as a whole—every part of it, land and sea. We have stopped one major Japanese offensive; and we have inflicted heavy losses on their fleet. But they still possess great strength; they seek to keep the initiative; and they will undoubtedly strike hard again. We must not overrate the importance of our successes in the Solomon Islands, though we may be proud of the skill with which these local operations were conducted. At the same time, we need not underrate the significance of our victory at Midway. There we stopped the major Japanese offensive.

3. In the Mediterranean and the Middle East area the British, together with the South Africans, Australians, New Zealanders, Indian troops and others of the United Nations, including ourselves, are fighting a desperate battle with the Germans and Italians. The Axis powers are fighting to gain control of that area, dominate the Mediterranean and the Indian Ocean, and gain contact with the Japanese Navy. The battle in the Middle East is now joined. We are well aware of our danger, but we are hopeful of the outcome.

4. The European area. Here the aim is an offensive against Germany. There are at least a dozen different points at which attacks can be launched. You, of course, do not expect me to give details of future plans, but you can rest assured that preparations are being made here and in Britain toward this purpose. The power of Germany must be broken on the battlefields of Europe.

Various people urge that we concentrate our forces on one or

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another of these four areas, although no one suggests that any one of the four areas should be abandoned. Certainly, it could not be seriously urged that we abandon aid to Russia, or that we surrender all of the Pacific to Japan, or the Mediterranean and Middle East to Germany, or give up an offensive against Germany. The American people may be sure that we shall neglect none of the four great theaters of war.

Certain vital military decisions have been made. In due time you will know what these decisions are — and so will our enemies. I can say now that all of these decisions are directed toward taking the offensive.

Today, exactly nine months after Pearl Harbor, we have sent overseas three times more men than we transported to France in the first nine months of the first World War. We have done this in spite of greater danger and fewer ships. And every week sees a gain in the actual number of American men and weapons in the fighting areas. These reinforcements in men and munitions are continuing, and will continue to go forward.

This war will finally be won by the coordination of all the armies, navies, and air forces of all of the United Nations operating in unison against our enemies.

This will require vast assemblies of weapons and men at all the vital points of attack. We and our allies have worked for years to achieve superiority in weapons. We have no doubts about the superiority of our men. We glory in the individual exploits of our soldiers, our sailors, our marines, our merchant seamen. Lieutenant John James Powers was one of these — and there are thousands of others in the forces of the United Nations.

Several thousand Americans have met death in battle. Other thousands will lose their lives. But many millions stand ready to step into their places — to engage in a struggle to the very death. For they know that the enemy is determined to destroy us, our homes and our institutions — that in this war it is kill or be killed.

Battles are not won by soldiers or sailors who think first of their own personal safety. And wars are not won by people who

### *93. Transfer of Naval Vessel to Norway*

are concerned primarily with their own comfort, their own convenience, their own pocketbooks.

We Americans of today bear the gravest of responsibilities. And all of the United Nations share them.

All of us here at home are being tested — for our fortitude, for our selfless devotion to our country and to our cause.

This is the toughest war of all time. We need not leave it to historians of the future to answer the question whether we are tough enough to meet this unprecedented challenge. We can give that answer now. The answer is "Yes."

*NOTE:* See previous item and note for message to the Congress asking for action to avert the danger of inflation. See also references cited in the note to the preceding item for additional measures taken by the President to combat inflation.

### **93 ¶ Remarks of the President on the Transfer of a Naval Vessel to Norway. September 16, 1942**

*Your Royal Highness, Mr. Ambassador:*

IF THERE is anyone who still wonders why this war is being fought, let him look to Norway. If there is anyone who has any delusions that this war could have been averted, let him look to Norway. And if there is anyone who doubts the democratic *will* to win, again I say, let him look to Norway.

He will find in Norway, at once conquered and unconquerable, the answer to his questioning.

We all know how this most peaceful and innocent of countries was ruthlessly violated. The combination of treachery and brute force which conquered Norway will live in history as the blackest deed of a black era. Norway fought valiantly with what few weapons there were at hand — and fell.

And with Norway fell the concept that either remoteness from political controversy or usefulness to mankind could give any Nation immunity from attack in a world where aggression spread unchecked.

### *93. Transfer of Naval Vessel to Norway*

But the story of Norway since the conquest shows that while a free democracy may be slow to realize its danger, it can be heroic when aroused. At home, the Norwegian people have silently resisted the invader's will with grim endurance. Abroad, Norwegian ships and Norwegian men have rallied to the cause of the United Nations. And their assistance to that cause has been out of all proportion to their small numbers. The Norwegian merchant marine has lost some 200 ships and 1,300 seamen in carrying the supplies vital to our own and Allied forces overseas. Nor has the Norwegian Navy been less active. Norse fighting ships battled valiantly but vainly against the invader — destroying one-third of the German invasion fleet before they were overwhelmed by superior forces. Right now the blue cross of Norway flies on the fourth largest Navy of the United Nations — a Navy whose operations extend from the North Sea to the Indian Ocean.

It is today the privilege of the people of the United States, through the mechanism of the Lend-Lease Law, to assist this gallant Navy in carrying out its present heavy duties.

Your Royal Highness, as a token of the admiration and friendship of the American people toward your country and her Navy, I ask you to receive this ship. We Americans, together with the millions of loyal Norwegians, are glad that this ship is being given today the name of the King of Norway — a leader well versed in the ways of the seas, a true leader who, with his people, has always stood for the freedom of the seas for all Nations. May this ship long keep the seas in the battle for liberty. May the day come when she will carry the Norwegian flag into a home port in a free Norway!

*NOTE:* The foregoing remarks of the President were made in ceremonies at the Washington Navy Yard transferring a 173-foot steel submarine chaser to Norway under the Lend-Lease Act. The vessel was similar to one which had been transferred to The Netherlands in ceremonies in which the President had participated on August 6, 1942

(see Item 80 and note, this volume).

In accepting the ship for Norway, Crown Princess Martha said that her people had been encouraged by the spirit of our government and especially of President Roosevelt, whom she described as "one whose clear vision and unfailing courage have contributed immeasurably to rally the forces of freedom."

*94. Coordination of the Rubber Program*

**94 ¶ The President Provides for Coordination and Control of the Rubber Program. Executive Order No. 9246. September 17, 1942**

BY VIRTUE of the authority vested in me by the Constitution and the statutes, particularly the Act of December 18, 1941, entitled "First War Powers Act, 1941" (Public Law 354, 77th Congress), as President of the United States and Commander in Chief of the Army and Navy, and in order to carry out certain recommendations made to the President by the Rubber Survey Committee for the purpose of assuring an adequate supply of rubber for war and essential civilian needs, it is hereby ordered as follows:

1. The Chairman of the War Production Board is authorized and directed to assume full responsibility for and control over the Nation's rubber program in all of its phases, including, but not limited to: technical research and development, importation, purchase, sale, acquisition, storage, transportation, provision of facilities, conservation, production, manufacturing, processing, marketing, distribution, and use of natural and synthetic rubber, related materials, and products manufactured therefrom.
2. There shall be, within the War Production Board, a Rubber Director, appointed by and responsible to the Chairman of the War Production Board for the administration of the Nation's rubber program.
3. In carrying out this Order, the Rubber Director may direct the Rubber Reserve Company and other subsidiaries of the Reconstruction Finance Corporation, the Office of the Petroleum Coordinator for War, the Board of Economic Warfare, the Office of Defense Transportation, the Office of Price Administration, the Department of Agriculture, and such other departments, establishments, and agencies as he may deem necessary, to execute such aspects of the rubber program in such manner and for such period of time as he deems advisable, and full compliance shall be accorded such directives by the Federal agencies concerned.

#### *94. Coordination of the Rubber Program*

4. In accordance with the provisions of paragraph 3 and unless future directives issued thereunder shall otherwise provide:

A. The Office of the Petroleum Coordinator for War shall, upon and under the direction of the Rubber Director:

(1) Conduct or promote developmental research in the production and manufacture of butadiene from petroleum and natural gas products and recommend new production and manufacturing methods for the consideration of the Rubber Director.

(2) Serve as the agency of the Government in supervising, upon completion of construction, the operation of plants producing synthetic rubber raw materials made from petroleum and natural gas products.

B. The Rubber Reserve Company shall, upon and under the direction of the Rubber Director, serve as the agency of the Government in supervising the construction of all plants under the rubber program, including plants manufacturing butadiene from petroleum and natural gas products.

5. Nothing herein shall be construed to limit the powers conferred upon the Price Administrator by the "Emergency Price Control Act of 1942."

6. Any provision of any Executive Order conflicting with this order is superseded to the extent of such conflict.

**NOTE:** On August 6, 1942, the President had appointed a Rubber Survey Committee, headed by Bernard M. Baruch, to make an analysis and report on the rubber situation. The foregoing Executive Order was a direct outgrowth of the work of the Baruch Committee (see Item 79 and note, this volume, for an account of the work and recommendations of the Committee). The President accepted the recommendations of the Committee in

full and took immediate steps to carry them out.

On September 15, 1942, Donald M. Nelson, Chairman of the War Production Board, appointed William M. Jeffers, President of the Union Pacific Railroad, as Rubber Director. Mr. Jeffers was ideally suited to carry out the exhortation of the Baruch Committee to "bulldog the present program through." His first directive to his organization was to carry out every explicit and

#### *94. Coordination of the Rubber Program*

implicit recommendation in the Baruch Committee's report.

The development of a complete synthetic rubber industry in the year and a half which followed the issuance of the President's Executive Order will rank as one of America's great industrial achievements. In spite of material and component deficiencies, manpower shortages, competition with other high-priority programs for materials in short supply, and lack of actual production experience, the construction program recommended in the Baruch Committee report had been substantially completed by the winter of 1943, and the plants were in production.

As synthetic rubber began to be produced in quantity late in 1943, the emphasis in the synthetic rubber program shifted from the construction and operation of raw materials plants to expanding facilities and obtaining manpower for the fabrication of tires, particularly larger-size military tires. The shortage of such tires grew so acute by the summer of 1944 that experienced rubber workers in the Army were detailed to the industry to ease the manpower shortage. In addition to manpower shortages, the tire manufacturers suffered throughout the war from periodic shortages of rayon and cotton cord, beadwire, and carbon black.

The importance of the synthetic rubber program is indicated by the fact that whereas in 1941 America's rubber products were made of 99

percent natural rubber and 1 percent synthetic, in 1945 they were made of 15 percent natural rubber and 85 percent synthetic.

Despite the increasing use of synthetic rubber, however, a constant supply of crude rubber was essential throughout the war because synthetic rubber had not yet been so far perfected as to permit its exclusive use in such products as heavy truck and airplane tires and certain medical supplies. Soon after taking office, the Rubber Director delegated to the Rubber Reserve Company primary responsibility for developing new sources of natural rubber in Central and South America and for importing natural rubber from other sources. In carrying out the program the Rubber Reserve Company entered into exclusive purchasing contracts with Brazil, Bolivia, Peru, Venezuela, Colombia, Ecuador, Nicaragua, Honduras, British Guiana, Costa Rica, Guatemala, Panama, Mexico, El Salvador, Dutch Guiana, and Trinidad. In February, 1943, responsibility for the procurement of natural rubber from sources outside the United States was transferred to the newly created Rubber Development Company. From January, 1942, to V-J Day imports of natural rubber into the United States totaled about 315,000 tons. Ceylon accounted for about 150,000 tons of this total. The Latin American Republics contributed 95,000 tons and Liberia about 55,000 tons.

One year after his appointment,

## *95. President Opposes Rise in Parity Formula*

Mr. Jeffers was able to report to the President that his major task — the construction of a synthetic rubber industry — was substantially completed. On September 4, 1943, Mr. Jeffers asked the President to be relieved from his duties as Rubber Director in order to return to the Union Pacific Railroad. The President accepted the vigorous Mr. Jeffers' resignation and approved the appointment of Mr. Jeffers' deputy, Mr. Bradley Dewey, to serve as Rubber Director.

By the early months of 1944, the success of the rubber program was assured. Sufficient synthetic rubber was being produced to meet all military and essential civilian requirements. Accordingly, on September 1, 1944, the President issued Executive Order No. 9475 abolishing the Office of Rubber Director and transferring his functions to the Chairman of the War Production Board and the Rubber Reserve Company. The task of supervising

the rubber program was continued by a Rubber Bureau within the War Production Board.

After the bleak outlook in the early days of the war, and the difficulties in getting a rubber production program under way, the Nation can look back with pride at the almost superhuman achievements in guaranteeing an adequate rubber supply necessary to win the war. A Nation-wide system of gasoline rationing had been instituted to conserve rubber, tires were rationed, scrap had been collected for processing into reclaimed rubber, and new sources of crude rubber had been developed in Central and South America and in the United States. But the most difficult and dramatic accomplishment was the development in two years of the synthetic rubber industry, annual capacity of which was almost equal to the world's total peacetime production of crude rubber.

## 95 ¶ The President Addresses a Letter to the Chairmen of the Banking and Currency Committees Opposing a Rise in the Parity Price Formula. September 17, 1942

MY ATTENTION has been drawn to proposals to revise the parity formula in connection with the legislation I requested on September 7. I understand that it is proposed to include certain allowance for farm labor in the index of prices which farmers pay that is used in computing parity prices.

## *95. President Opposes Rise in Parity Formula*

I should like to make clear my unalterable opposition to any recomputation of parity at this time. In my message of September 7 I stated, "in computing parity, we should continue to use the computations of the Bureau of Agricultural Economics made under the law as it stands today." This will continue to be my policy.

Earlier in my message I stated, "after all, parity is, by its very definition, a fair relationship between the prices of the things farmers sell and the things they buy. Calculations of parity must include all costs of production including the cost of labor." By that I meant what the language states — that parity is fair and it is fair because it now includes the labor cost incorporated in the prices of the things which farmers buy. It is this which brings farmers into a fair relationship with other groups. This is the purpose of parity. This the present formula does.

The parity principle for which this Administration has stood since 1933 was a good standard for peacetime — it is a good standard for war. To recalculate parity now and to offer to the public 100 percent of a new and higher parity would be to offer stabilization, yet destroy the possibility of achieving it.

**NOTE:** For a decade before the New Deal, the Bureau of Agricultural Economics had used a "parity index" to measure agricultural purchasing power. "Parity" was essentially the ratio between the index of prices received by farmers for the goods they sold, and the index of prices paid by farmers for the goods they bought. In brief, prices of farm commodities were at parity when their ratio to prices paid by farmers was the same as it had been on the average during the base period 1909-1914.

The cost of labor was not originally included in this computation.

Farm labor costs rose sharply during the war, and there was pressure to revise the parity index to include farm wages. The President in the foregoing statement took his stand against such an inflationary move, and the Congress in the Stabilization Act of 1942 omitted such a provision although there was strong pressure for its inclusion. Pressure groups continued to agitate for the same revision of the parity index, but because of the strong stand of the President and the support of public-spirited members of the Congress this inflationary idea was never enacted.

*96. Eight Hundred and Forty-eighth Press Conference*

**96 ¶ The Eight Hundred and Forty-eighth Press Conference (Excerpts). October 1, 1942**

*(The President reports on his tour of the United States — Criticism of Washington, D. C. — The press.)*

(This Press Conference was held upon return of the President from a two weeks' tour of the United States.)

**THE PRESIDENT:** I asked you all to come in today because I just got back to the White House at 12:30. I have seen a lot of people already. I thought it would be easier for all of you to hold the conference today instead of tomorrow morning. And there isn't any news, except the news about this trip, which you can now print because obviously I am here.

We started two weeks ago tonight, and went out to Detroit. I will try to summarize this part of it if I can, because all the papers have got it already. Anyway, I went out to Detroit and saw first, the Chrysler tank plant, which I thought was a very amazing example of what can be done with proper organization, with the right spirit of carrying it through, and proper planning. Shortly before we got there, they shifted over the whole plant essentially from making M-3 tanks to making M-4 tanks, a different model, and they didn't stop the output one single hour in doing it.

And then we went on to the Willow Run plant, which is one of the latest. I think we have to remember that most of the plants that I saw were authorized and started a great many months before Pearl Harbor. In other words, they are the result of the program of preparedness, which turned out to be so much needed after the Japanese struck us at Pearl Harbor. This took a great deal of time by the forelock. That was the reason, for example, for the Willow Run plant, which I think was started in April, 1941. They are not yet in production. They are very nearly ready to go into production.

Then we went on, that Friday night, to the Great Lakes Training Station and we got there Saturday morning in a

## *96. Eight Hundred and Forty-eighth Press Conference*

drizzle. We saw what is today the largest naval training center we have, I think; and it is doing, of course, excellent work. It is already larger than the same training station in the World War, and it still has about 15,000 trainees to go.

Then we went on to Milwaukee — the Allis-Chalmers plant — and saw some work there on all kinds of things. You couldn't say it was any one specialty. They are doing a great deal of work for the Navy, and a good deal of work for the Army, running from very large, heavy munitions down to the smaller things. That's a case of an old plant with I think only one new building in it, which, however, has been turned almost exclusively into Government work, and is getting on very well.

Then we went up to a cartridge plant [Federal Cartridge Corporation, New Brighton, Minnesota] between the cities of Minneapolis and St. Paul. And there they are not yet up to their full production capacity. But that also was a plant that was started well before Pearl Harbor. And they still have one unit to build that was authorized a short time ago. They are turning out 30-caliber and 50-caliber ammunition. And we hit the night shift, getting there at 11 P.M., both in that plant and in the other plants.

Really, the result of the first two days of inspection — the thing that I think that struck all of us most was the large number of women that were employed in machine work, and that means not merely running the small, what might be — what shall I say? — the sewing-machine type of machine, but also some of the largest and heaviest machines, which require great skill and great accuracy, and at the same time do not require heavy manual labor. The reason is that the big machines are operated largely by push buttons. They are turning out cartridges at an extremely heavy rate, helping us to get well on, considering their problem of small arms munitions of various types.

We left shortly after midnight and went right on to a place called Pend Oreille. It's a great lake out there. That and the

## *96. Eight Hundred and Forty-eighth Press Conference*

Coeur d'Alene are the two largest lakes in northern Idaho; and because we have tried, as you know, to disseminate the congestion which has always existed on the east coast and the west coast for Navy facilities, we put this naval training station inland. They had gone into commission five days before I was there, and they already had about a thousand trainees who were coming in at the rate of two or three hundred a day. It's wonderful country, and it's a good lake. It doesn't freeze in the wintertime. And it's going to be of very great assistance in providing the naval personnel that are necessary, especially out in the Pacific area.

Then we went on to a place just outside of Tacoma — Fort Lewis — which is one of our principal Army posts on the west coast. We saw a post, which I had known before as a relatively small post, multiplied four or five times in its capacity for troops. It is the main Army post of the whole of the northwest Pacific.

Then from there we motored to the Bremerton Navy Yard, and saw wounded ships and wounded men. There again the Yard had been enormously expanded two or three times what it had been in the World War. There was a little old golf course up on the side of the hill that I used to play on, now covered with buildings and machinery for repairing and building ships.

And we went across by ferry to Seattle, and saw the Army embarkation unit, consisting of a number of piers, and a great amount of storage, from which, of course, embankments are taking place all the time for operations offshore in the Pacific.

And then we went to the Boeing plant in Seattle and went through that. They seem to be in very good shape turning out planes that are steady at a very high rate.

Then I went and had supper with Anna and John Boettiger, took the train again that night at ten, and went on down the next morning to Vancouver, which is opposite Portland, and saw the Alcoa aluminum plant, because although

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I knew it was working well, I had to find out something about how aluminum is made. I think I can put it this way: Just with an ordinary brain, it was so complicated, and so much chemistry in it, that I came away knowing a little bit more than I knew before, but still — not being a technician — still not quite understanding how you make aluminum.

However, the fact remains that aluminum is coming out. And that was one of the rather interesting side lights of the whole trip, that there does not seem to be any appreciable shortage of aluminum in the actual building of planes at the present time. Of course, as the program steps up — might say doubles — there will be need for the new aluminum plants to get into operation and turn out a lot more stuff.

Then we went across to the Henry J. Kaiser yards and saw a ship launched, and saw the method of building those merchant ships. And there again the speed of production, I think, was interesting to all of us. That was only one of several plants that Kaiser has out on the coast. Those ships are going overboard and are being placed in service.

Of course you understand that when you read about launching a ship in ten days, it does not mean that the whole ship has been built in ten days. A very large number of sections of the ship are built in the plant, and are then taken to the ways and put together.

However, there is another phase that hasn't been emphasized enough. After the ship was launched — and by the way it was launched with steam up, blowing its whistle — it was then taken around to a pier on the other side of the plant, and will be turned over complete for actual use in, I think it was, four days more. That particular ship we actually turned over to a crew that was going to take it to sea.

From there we went down to the Mare Island Navy Yard, and saw again a Navy Yard just about three times as big as it ever had been before. We saw the Jap two-man submarine which had been captured at Pearl Harbor, and we saw one

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of our own submarines with nine Japanese flags painted on the conning tower.

From there we went down to the Army embarkation port at Oakland, which is an enormous organization from which a large portion of our supplies of men and materials go out to many parts of the Pacific.

Then down to the Naval Supply Base, which is right alongside of it, and in many ways serves the same purpose.

Then from there down to Los Angeles, and we saw the Douglas plant at Long Beach, California, on Friday morning, I guess.

And then by train down to San Juan Capistrano, which is the place that the old mission is, and where the swallows come to every spring on the same date.

Right back of that was this famous old Spanish land-grant ranch that belonged to the Pio Pico family in the old days, and that we purchased a short time ago. And the marines are already in there, using it as their main training center for the whole of the west coast. They only have about five thousand men there now, but that will be rapidly increased to probably — what? — twenty or twenty-five thousand.

Then, from there down to San Diego, we saw the naval hospital, and a lot more wounded men from actions in the Pacific.

Then to the naval training center.

Then to the old Marine Corps base, Camp Pendleton, and from there to the Consolidated plant, where they are stepping up production all the time; and dined with another son and his wife and family, and left that same night.

Mind you, we spent fourteen nights on the train, and not one night ashore.

And from there on to Uvalde, Texas, where I had the pleasure of seeing my old friend Jack Garner, who was just the same, and by the way, sent his love to all his old friends in Washington. He is in fine shape, and I asked him in passing what he thought about farm parity and the prevention of

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inflation. And he agreed with every other person that I had talked to all the way out and down the coast, that the people as a whole were a bit jittery in regard to an increase in the cost of living, and anything we could do to check the cost of living would remove one of the fears that people have all over the country. In fact, one of the major fears all through that whole section, both in the larger cities and in the country districts, seems to be a fear of a rise in the cost of living.

Then from there we went to San Antonio, to Kelly Field and Randolph Field. There are a great many other fields that take up certain special lines, but this is the training in preliminary and basic work, not the final finishing touches that pilots go other places to get.

We also stopped at Fort Sam Houston, which is an old post, which has not been greatly enlarged, but where I had the pleasure of seeing, for sentimental reasons, the old Second Division, which I saw on the other side in the summer of 1918. Over in those days the Second Division — that was my excuse besides wanting to see something of the fighting abroad — had two regiments of marines in it. But as we are constituted today, it's all Army. There are no marines. The marines have sufficient strength to have divisions of their own. . . .

Then next was Fort Worth. We got there in the morning, and went out to see my daughter-in-law and her family. And in the afternoon we went to the Consolidated bomber assembly plant, which, I should say, is just getting into production, but they are not anywhere near up to what they will be when they get the spare parts and materials from other plants. They are not to make all of the parts that go into an airplane. They are primarily an assembly plant.

Then from there, overnight, to the Higgins yard in New Orleans, where I saw a great many small boats being built.

And from there on to Camp Shelby, where we reviewed another Division, and saw how that Camp had been expanded. I had never been there before.

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And yesterday we turned up at Fort Jackson, just outside of Columbia, South Carolina, and reviewed another Division, which was in a different stage of training from any that we had seen before.

And well, here we are!

Now I have got some highlights. I think I had better tell you what I gave to the press association boys.

Number one. I really do want to express my thanks to the press, and the radio people, and the newsreel people, and the photographers, because of the fine way in which they have cooperated in delaying the publication of the news about the trip until I had got back to Washington. As you know, the three press associations were along [Douglas Cornell for Associated Press; Merriman Smith for United Press; J. William Theis for International News Service]. And they were given—I think they will be the first to admit—complete freedom on the trip. And the four Navy photographers made pictures, which of course—some of which have come here, and all of which have got to pass through a—the censorship, because laymen and even Navy enlisted men might not realize what some of the pictures were showing. We saw a lot of stuff, of course, that was confidential.

And number two. Of course, there was no suppression of news on the trip, only confidential stuff, mostly photographs. I think the press association boys, knowing the regular censorship news, had absolutely no trouble in writing their stories. I think I am right in saying that there was nothing cut out of the stories, and there was nothing in their stories which would have been considered dangerous to give out.

**Q.** Were they subject to censorship, Mr. President?

**THE PRESIDENT:** What?

**Q.** Were they subject to the censorship laws?

**THE PRESIDENT:** No. No. I read them over, that was all—(laughter) and cut out nothing.

**Q.** Did you add anything? (*More laughter*)

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THE PRESIDENT: Yes, I did. (*Turning to Mr. Early*) I added several touches, didn't I?

Incidentally, in this method, which has been so well lived up to by the newspaper publishers and all of the others, is an illustration that we are giving you prompt publication of the news, as fast as it can be properly given, and that is being lived up to. There are various items — various elements that enter into it — into a trip of that kind, including placing in jeopardy the lives of our relatives and friends who are in the naval services.

Now, on impressions on the trip, I have spoken about the large number of women workers. It's an amazing thing how they are working into the production of munitions with very great success. In some of the plants we saw, these are not just stenographers in the office, these are women running machines, and inspecting parts as they come out of a machine. And some plants run 20 percent. Some of the airplane plants are running 30 percent, even — I think one of them — 40 percent, and it is getting up, according to the managers and operators of these plants, so that probably within another year in very many of the plants, half of all the labor in the plants will be women.

Then I am going to create an awful disappointment in the ranks of a few people who put a thing down, not as a guess, an erroneous guess, but as a fact. The only people I saw on the trip who were remotely connected with politics, but with whom I did not discuss politics at any moment, were the eleven Governors of the eleven States that we passed through. Nobody running for Congress, or the Senate, or for local or State office. No chairman, no committee member. Nobody at all but the eleven Governors, all of whom we saw at the plants and said good-by to at the plants. So I am sorry to have to shock certain writers.

As we come down to the question of labor and management, I would say that labor and management both are going along magnificently with the whole objective of output, as

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fast and as good as we can get it. I would say as a whole that I am very well satisfied, because the production is so nearly up to the goal. Every once in a while you find a plant that isn't clicking quite as well as it should. Occasionally the labor is not as efficient as it will be when it gets more trained. Occasionally there are small shortages of materials which prevent an operation from going through as fast as it would be otherwise, but I would say offhand that the production as a whole through the country is around 94 or 95 percent of the objective.

And remember that last January, when I talked about the objective in the Message to Congress, there were a great many "doubting Thomases" who said we couldn't do half of it, people who most deliberately sabotaged the program before it got started. Well, I think 94 or 95 percent is an objective that covers the working out of a great war. It's a pretty darn good record.

Q. Mr. President, do you think it's going to reach 100 by the end of the —

THE PRESIDENT: (*interposing*) No. No. It's impossible. That would be impossible.

Q. Impossible?

THE PRESIDENT: Why, sure. In other words, you take anything — you take a newspaper office. In a newspaper office, if you are running a big paper, if you have efficient men on the mechanical end to the tune of 94 or 95 percent efficient, wouldn't you call that a pretty good record? If you had a hundred reporters, and a hundred out of the hundred reporters were satisfactory to the desk, wouldn't you call that impossible? (*Laughter*)

Q. A miracle.

THE PRESIDENT: There, you see it? You can't have anything that's perfect, but when you get up to 94 or 95 percent, that's a pretty darn good record.

Q. Could you indicate where there is diversity of causes for the 4 or 5 percent?

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THE PRESIDENT: Oh, yes, all kinds, little and big. I would say the majority of them are completely unpreventable — completely....

Now, going back to reactions of people, I think it can be said that the people of the country as a whole have got the finest kind of morale. They are very alive to the war spirit. I am making no invidious distinctions between sections. Everywhere I went the spirit was excellent. The understanding was good.

Even on things like — oh, a certain amount of trouble in the Southwest, where they have a lot of oil wells, yet because of the shortage caused by lack of transportation, of getting gasoline up to New England and New York, we had to ration gasoline there. There was a tremendous howl from people who couldn't understand, because they were out living next to an oil well, and they didn't want to be rationed. And finally, as it is working out, as you know, we are coming to a rationing of mileage all over the country, and the people down there understand it, and are wholeheartedly behind it. That's a change in attitude because now they understand it.

I would say, on the other hand, that there is less understanding in just one place in the country — it's a lot less — Washington, D. C. . . .

I would say, in regard to Washington, D. C., that there are three situations in this town which are not good. And I will put the two most important ones first, and the less important one third.

The first is the fact that we all know that — and it is perfectly natural, I would do the same thing, so would you — in the Congress you have a great many people who want to justify their help to the war effort. And it's a tendency that isn't new at all. It was a tendency which started with the Continental Congress in 1775, and it has been going on ever since. A perfectly obvious, understandable and human effort to take part in the war by looking into this, that, and the other thing, about which they can't possibly have opinions

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that are of any great validity, because there are so many facts in a war which either are based on military information or which cannot be explained to a lay mind. They are essentially facts for trained military and naval officers, who are responsible primarily for the conduct of the strategy and operation of the war. As I said, it's a perfectly normal, natural development, dating back to 1775. And of course, there are literally hundreds of examples in our past history.

Then the other factor in this is the press, which doesn't seem to know the country, and like the Congressman is very apt to think in the local terms of the papers that they represent, giving out sententious views — perfectly honest views, which are nevertheless sententious — because of the fact that they don't know. That's the radio too, the radio announcers. Not all — of course not. Not all of the news stories by any means. Most of them, I would say, are straight news stories. But there is an unfortunate minority of news stories which just "ain't" so. They just are not based on fact. And more than that, they tell people in the country things that are not in existence. Some of them are honestly written. Some of them are written for other reasons, which perhaps we need not go into. They represent a minority, but at present they are doing infinite harm to the country. The greatest offense of course is among the commentators, and the columnists, in both the press and the radio. . . .

The third point relates to a great many people in the Administration itself, who are very apt to rush into print or hand out stuff. Well, they may be the fourth or fifth man down the line, or they may be seeking publicity. If they are the fourth or fifth man down the line, probably they don't know the whole story, except their own version of the little individual piece of work which they themselves are doing for the Government. They haven't got a rounded view. Sometimes it's in a speech which seeks to be picturesque. Sometimes it's with the perfectly honest belief that their particular "ism" — specialty — is not being properly handled. We have that type of person, of course, in the Administra-

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tion. And so there you have those branches of the Government and the "fourth estate," all of whom are guilty to a greater or less extent. . . .

- Q. Mr. President, in that connection, we have had four speeches here in the last week by high Government officials, all along exactly the same theme, that we are losing this war, largely by reason of our failure to produce as rapidly as we should.

THE PRESIDENT: (*interjecting*) Yes.

- Q. (*continuing*) In the light of your report here, those reports seem to be exaggerated. I gather you —

THE PRESIDENT: (*interposing*) I haven't seen all four that you refer to. I have seen two or three, and let me put it this way: If I had been in their place, I would not have said it. . . .

- Q. Mr. President, I am not quite clear in my mind. What is the complaint about the press?

THE PRESIDENT: I think it's very simple. I am saying that about certain elements in press and radio that are hurting the war effort. And we all know. I don't have to particularize on it at all. You people know even better than I do who the fellows are, who the owners of the papers are. You know far better than I do. . . .

- Q. Mr. President, would you care to deal specifically with any one community where you visited?

THE PRESIDENT: I don't think so. I think they all stand out as having a perfectly grand spirit. And that, incidentally, applies not only to the munitions plants but to almost all the other things as well.

Agriculture! The number of stories that I heard about how they are getting the crops in, with half of the hired hands gone. Those small communities where they haven't got enough men to pick the fruit, and they then decide on three days, or four days, and the banker, and the editor of the paper, and the drugstore fellow, and the garage man, and the children, they all give up what they are doing and go into the fields for three or four days, and — by gosh! — get the crops in.

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Now that's the kind of spirit that we lack in Washington, D. C. Out there, you've got the reporters, you've got everybody else going into the fields, and they have got the crops in as a result. It's a community effort. We need more of that.

**NOTE:** The itinerary for the President's trip was as follows: departed from Washington, D. C., September 17; Chrysler and Ford plants, Detroit and Willow Run, Mich., September 18; United States Naval Training Station, Great Lakes, Ill., and Allis-Chalmers Corp., Milwaukee, Wis., September 19; Federal Cartridge Co., New Brighton, Minn., September 20; Farragut Naval Training Station, Athol, Idaho, September 21; Fort Lewis, Wash., and Puget Sound Navy Yard, Bremerton, Wash., September 22; Boeing Aircraft Co. and United States Army Port of Embarkation, Seattle, Wash., September 22; Oregon Shipbuilding Corp., Portland, Ore., and Aluminum Co. of America, Vancouver, Wash., September 23; Mare Island Navy Yard, United States Army Port of Embarkation and Naval Supply Depot, Oakland, Calif., September

24; Douglas Aircraft Plant, Long Beach, Calif., and Camp Pendleton, Calif., September 25; United States Naval Hospital, United States Naval Training Station, United States Marine Base and Consolidated Aircraft Corp., San Diego, Calif., September 25; Uvalde, Texas, September 26; Kelly Field, Duncan Field, Fort Sam Houston and Randolph Field, San Antonio, Texas, September 27; Bomber Assembly Plant, Consolidated Aircraft Corp., Fort Worth, Texas, September 28; Higgins Industries, New Orleans, La., and Camp Shelby, Miss., September 29; Camp Jackson, S. C., September 30; arrived in Washington, D. C., October 1.

See also Item 104, this volume, for the President's radio address in which he discussed his observations on this trip to war plants and training camps.

## **97 ¶ The Office of Economic Stabilization Is Established. Executive Order No. 9250. October 3, 1942**

BY VIRTUE of the authority vested in me by the Constitution and the statutes, and particularly by the Act of October 2, 1942, entitled "An Act to Amend the Emergency Price Control Act of

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1942, to Aid in Preventing Inflation, and for Other Purposes," as President of the United States and Commander in Chief of the Army and Navy, and in order to control so far as possible the inflationary tendencies and the vast dislocations attendant thereon which threaten our military effort and our domestic economic structure, and for the more effective prosecution of the war, it is hereby ordered as follows:

### **TITLE I**

#### *Establishment of an Office of Economic Stabilization*

1. There is established in the Office for Emergency Management of the Executive Office of the President an Office of Economic Stabilization at the head of which shall be an Economic Stabilization Director (hereinafter referred to as the Director).
2. There is established in the Office of Economic Stabilization an Economic Stabilization Board with which the Director shall advise and consult. The Board shall consist of the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Chairman of the Board of Governors of the Federal Reserve System, the Director of the Bureau of the Budget, the Price Administrator, the Chairman of the National War Labor Board, and two representatives each of labor, management, and farmers to be appointed by the President. The Director may invite for consultation the head of any other department or agency. The Director shall serve as Chairman of the Board.
3. The Director, with the approval of the President, shall formulate and develop a comprehensive national economic policy relating to the control of civilian purchasing power, prices, rents, wages, salaries, profits, rationing, subsidies, and all related matters — all for the purpose of preventing avoidable increases in the cost of living, cooperating in minimizing the unnecessary migration of labor from one business, industry, or region to another, and facilitating the prosecution of the war. To

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give effect to this comprehensive national economic policy the Director shall have power to issue directives on policy to the Federal departments and agencies concerned.

4. The guiding policy of the Director and of all departments and agencies of the Government shall be to stabilize the cost of living in accordance with the Act of October 2, 1942; and it shall be the duty and responsibility of the Director and of all departments and agencies of the Government to cooperate in the execution of such administrative programs and in the development of such legislative programs as may be necessary to that end. The administration of activities related to the national economic policy shall remain with the departments and agencies now responsible for such activities, but such administration shall conform to the directives on policy issued by the Director.

## **TITLE II**

### *Wage and Salary Stabilization Policy*

1. No increases in wage rates, granted as a result of voluntary agreement, collective bargaining, conciliation, arbitration, or otherwise, and no decreases in wage rates, shall be authorized unless notice of such increases or decreases shall have been filed with the National War Labor Board, and unless the National War Labor Board has approved such increases or decreases.

2. The National War Labor Board shall not approve any increase in the wage rates prevailing on September 15, 1942, unless such increase is necessary to correct maladjustments or inequalities, to eliminate substandards of living, to correct gross inequities, or to aid in the effective prosecution of the war.

Provided, however, that where the National War Labor Board or the Price Administrator shall have reason to believe that a proposed wage increase will require a change in the price ceiling of the commodity or service involved, such proposed increase, if approved by the National War Labor Board, shall become effective only if also approved by the Director.

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3. The National War Labor Board shall not approve a decrease in the wages for any particular work below the highest wages paid therefor between January 1, 1942, and September 15, 1942, unless to correct gross inequities and to aid in the effective prosecution of the war.

4. The National War Labor Board shall, by general regulation, make such exemptions from the provisions of this title in the case of small total wage increases or decreases as it deems necessary for the effective administration of this Order.

5. No increases in salaries now in excess of \$5,000 per year (except in instances in which an individual has been assigned to more difficult or responsible work) shall be granted until otherwise determined by the Director.

6. No decrease shall be made in the salary for any particular work below the highest salary paid therefor between January 1, 1942, and September 15, 1942, unless to correct gross inequities and to aid in the effective prosecution of the war.

7. In order to correct gross inequities and to provide for greater equality in contributing to the war effort, the Director is authorized to take the necessary action, and to issue the appropriate regulations, so that, insofar as practicable no salary shall be authorized under Title III, Section 4, to the extent that it exceeds \$25,000 after the payment of taxes allocable to the sum in excess of \$25,000. Provided, however, that such regulations shall make due allowance for the payment of life insurance premiums on policies heretofore issued, and required payments on fixed obligations heretofore incurred, and shall make provision to prevent undue hardship.

8. The policy of the Federal Government, as established in Executive Order No. 9017 of January 12, 1942, to encourage free collective bargaining between employers and employees is reaffirmed and continued.

9. Insofar as the provisions of Clause (1) of section 302 (c) of the Emergency Price Control Act of 1942 are inconsistent with this Order, they are hereby suspended.

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**TITLE III**

*Administration of Wage and Salary Policy*

1. Except as modified by this Order, the National War Labor Board shall continue to perform the powers, functions, and duties conferred upon it by Executive Order No. 9017, and the functions of said Board are hereby extended to cover all industries and all employees. The National War Labor Board shall continue to follow the procedures specified in said Executive Order.
2. The National War Labor Board shall constitute the agency of the Federal Government authorized to carry out the wage policies stated in this Order, or the directives on policy issued by the Director under this Order. The National War Labor Board is further authorized to issue such rules and regulations as may be necessary for the speedy determination of the propriety of any wage increases or decreases in accordance with this Order, and to avail itself of the services and facilities of such State and Federal departments and agencies as, in the discretion of the National War Labor Board, may be of assistance to the Board.
3. No provision with respect to wages contained in any labor agreement between employers and employees (including the Shipbuilding Stabilization Agreements as amended on May 16, 1942, and the Wage Stabilization Agreement of the Building Construction Industry arrived at May 22, 1942) which is inconsistent with the policy herein enunciated or hereafter formulated by the Director shall be enforced except with the approval of the National War Labor Board within the provisions of this Order. The National War Labor Board shall permit the Shipbuilding Stabilization Committee and the Wage Adjustment Board for the Building Construction Industry, both of which are provided for in the foregoing agreements, to continue to perform their functions therein set forth, except insofar as any of them is inconsistent with the terms of this Order.
4. In order to effectuate the purposes and provisions of this

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Order and the Act of October 2, 1942, any wage or salary payment made in contravention thereof shall be disregarded by the executive departments and other governmental agencies in determining the costs or expenses of any employer for the purpose of any law or regulation, including the Emergency Price Control Act of 1942 or any maximum price regulation thereof, or for the purpose of calculating deductions under the Revenue Laws of the United States or for the purpose of determining costs or expenses under any contract made by or on behalf of the Government of the United States.

## **TITLE IV**

### *Prices of Agricultural Commodities*

1. The prices of agricultural commodities and of commodities manufactured or processed in whole or substantial part from any agricultural commodity shall be stabilized, so far as practicable, on the basis of levels which existed on September 15, 1942, and in compliance with the Act of October 2, 1942.

2. In establishing, maintaining, or adjusting maximum prices for agricultural commodities or for commodities processed or manufactured in whole or in substantial part from any agricultural commodity, appropriate deductions shall be made from parity price or comparable price for payments made under the Soil Conservation and Domestic Allotment Act, as amended, parity payments made under the Agricultural Adjustment Act of 1938, as amended, and governmental subsidies.

3. Subject to the directives on policy of the Director, the price of agricultural commodities shall be established or maintained or adjusted jointly by the Secretary of Agriculture and the Price Administrator; and any disagreement between them shall be resolved by the Director. The price of any commodity manufactured or processed in whole or in substantial part from an agricultural commodity shall be established or maintained or adjusted by the Price Administrator, in the same administrative

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manner provided for under the Emergency Price Control Act of 1942.

4. The provisions of sections 3(a) and 3(c) of the Emergency Price Control Act of 1942 are hereby suspended to the extent that such provisions are inconsistent with any or all prices established under this Order for agricultural commodities, or commodities manufactured or processed in whole or in substantial part from an agricultural commodity.

**TITLE V**

*Profits and Subsidies*

1. The Price Administrator in fixing, reducing, or increasing prices, shall determine price ceilings in such a manner that profits are prevented which in his judgment are unreasonable or exorbitant.

2. The Director may direct any Federal department or agency including, but not limited to, the Department of Agriculture (including the Commodity Credit Corporation and the Surplus Marketing Administration), the Department of Commerce, the Reconstruction Finance Corporation, and other corporations organized pursuant to Section 5d of the Reconstruction Finance Corporation Act, as amended, to use its authority to subsidize and to purchase for resale, if such measures are necessary to insure the maximum necessary production and distribution of any commodity, or to maintain ceiling prices, or to prevent a price rise inconsistent with the purposes of this Order.

**TITLE VI**

*General Provisions*

1. Nothing in this Order shall be construed as affecting the present operation of the Fair Labor Standards Act, the National Labor Relations Act, the Walsh-Healey Act, the Davis-Bacon Act, or the adjustment procedure of the Railway Labor Act.

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2. Salaries and wages under this Order shall include all forms of direct or indirect remuneration to an employee or officer for work or personal services performed for an employer or corporation, including but not limited to, bonuses, additional compensation, gifts, commissions, fees, and any other remuneration in any form or medium whatsoever (excluding insurance and pension benefits in a reasonable amount as determined by the Director); but for the purpose of determining wages or salaries for any period prior to September 16, 1942, such additional compensation shall be taken into account only in cases where it has been customarily paid by employers to their employees. "Salaries" as used in this Order means remuneration for personal services regularly paid on a weekly, monthly, or annual basis.

3. The Director shall, so far as possible, utilize the information, data, and staff services of other Federal departments and agencies which have activities or functions related to national economic policy. All such Federal departments and agencies shall supply available information, data, and services required by the Director in discharging his responsibilities.

4. The Director shall be the agency to receive notice of any increase in the rates or charges of common carriers or other public utilities as provided in the aforesaid Act of October 2, 1942.

5. The Director may perform the functions and duties, and exercise the powers, authority, and discretion conferred upon him by this Order through such officials or agencies, and in such manner, as he may determine. The decision of the Director as to such delegation and the manner of exercise thereof shall be final.

6. The Director, if he deems it necessary, may direct that any policy formulated under this Order shall be enforced by any other department or agency under any other power or authority which may be provided by any of the laws of the United States.

7. The Director, who shall be appointed by the President, shall receive such compensation as the President shall provide, and within the limits of funds which may be made available,

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may employ necessary personnel and make provision for supplies, facilities, and services necessary to discharge his responsibilities.

**NOTE:** The foregoing Executive Order establishing an Office of Economic Stabilization was another step in the President's long and successful fight to check inflation and keep down the cost of living (see Items 47, 91, and 92, this volume, for an account of other events leading to the issuance of the Executive Order). Under the Stabilization Act of 1942 (56 Stat. 765), approved on October 2, 1942, the President had been directed by the Congress to issue an order stabilizing prices, wages, and salaries affecting the cost of living in such a way as to preserve the general levels obtained on September 15, 1942.

After signing the Stabilization Act, the President directed the Administrator of O.P.A. to fix rent ceilings not only on all urban areas but also on all rural areas, the rentals in which had not been previously stabilized. The President also directed the Administrator of the O.P.A. to consult with the Secretary of Agriculture and thereupon to establish ceiling prices for eggs, chickens, butter, cheese, potatoes, and flour. Prior to the Act, there had been no such authority under the Emergency Price Control Act of 1942 until prices reached the high level of 110 percent of parity (see Item 12 and note, this volume).

In signing the Stabilization Act of 1942, the President commented:

"The Congress has done its part in helping substantially to stabilize the cost of living. The new legislation removes the exemption of certain foods, agricultural commodities, and related products from the price controls of the Emergency Price Control Act with the result that I have today taken action to stabilize 90 percent of the country's food bill. It leaves the parity principle unimpaired, it reaffirms the powers of the Executive over wages and salaries. It establishes a floor for wages and for farm prices.

"I am certain that from now on this substantial stabilization of the cost of living will assist greatly in bringing the war to a successful conclusion, will make the transition to peace conditions easier after the war, and will receive the wholehearted approval of farmers, workers, and housewives in every part of the country."

Under the Stabilization Act, the President issued the foregoing Executive Order, creating the Office of Economic Stabilization. In recognition of the vital importance to the war effort of the new Office and its functions, the President immediately appointed James F. Byrnes, Associate Justice of the United States Supreme Court, as the first Director of Economic Stabilization. In announcing the appointment of Mr. Justice Byrnes, the President stated:

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"Justice Byrnes is one of the foremost authorities on governmental administration in the United States. He knows the economic problems of this country, whether they concern labor, the farmer, the consumer, the small retail store, or the manufacturer. I would never have asked him to resign from the Supreme Court were it not for the fact that this job is one of the most important positions in this country. I know the American people can be sure that in keeping down the cost of living he will be fair to everyone.

"This position calls primarily for judicial consideration. The organization will be small because the administrative action will be carried out by existing agencies.

"Justice Byrnes' patriotic action in accepting this appointment deserves the praise and commendation of all our citizens."

The Office of Economic Stabilization did in fact carry out its functions with a small staff, and did not attempt to duplicate the staff facilities or the data and research developed within other departments and agencies. The basic outlines of the broad stabilization program were already well established when the O.E.S. came onto the scene. Here, although it served as a central policy-maker, its role as mediator among conflicting operating agencies and as general watchdog over the main policies already established was perhaps its most significant contribution. The O.E.S. acted as over-all policy maker and as a referee in the competing claims of agencies whose programs affected the cost of living.

The location of the Office of Eco-

nomic Stabilization in the White House enhanced its usefulness as a top coordinating agency. When control over food was vested in the Secretary of Agriculture by Executive Order No. 9280 of December 6, 1942 (see Item 133 and note, this volume), the powers of the Office of Economic Stabilization were increased. The food order provided that the Director of Economic Stabilization was to resolve conflicts growing out of the division of priority powers between the War Production Board and the Secretary of Agriculture, and also conflicts between the Office of Price Administration and the Secretary of Agriculture.

Until the issuance of the foregoing Order, the task of the National War Labor Board in the settlement of labor disputes and the adjustment of wages had been confined to cases in which there were labor-management disputes (see Item 6 and note, this volume). The Executive Order gave the Board additional responsibility in all cases to stabilize wage rates and approve only those wage increases necessary to correct inequalities and inequities, to eliminate substandard wages or to aid in the effective prosecution of the war.

These new responsibilities of the National War Labor Board were difficult ones. Previously, the Board had been concerned primarily with averting work stoppages that would interfere with war production. In carrying out this function, its chief sources of strength had been the

## *97. Office of Economic Stabilization*

"no-strike pledge," arrived at shortly after Pearl Harbor, and the freedom to allow moderate wage increases as a means of "sweetening up" an otherwise tough ruling. But now the Board's freedom to approve wage increases was considerably restricted.

In connection with this new and important function vested in the Board, manpower shortages resulted in frequent employee and employer pressures for increased wages. These applications came to the Board. The Board acted on an average of 2,750 applications per week for approval of wage increases; it processed a grand total of 463,000 applications. Over and above this total, it handled 70,000 cases involving claims of violations of wage stabilization regulations.

The large number of wage increase applications led the Board to establish regional offices, which materially speeded the handling of wage cases and adjustments. The landmark decision of the National War Labor Board, the "Little Steel case," had laid the foundation for the Board's wage policy. In this case, decided on July 16, 1942, the Board granted a 15-percent wage increase to certain steel workers because of a comparable increase in the cost of living index between January 1, 1941, and May 1, 1942. In a policy statement of November 6, 1942, the National War Labor Board ruled that it would not grant further general increases to employees who had already received wage increases amounting to 15

percent over the level on January 1, 1941. The Board, in general, adhered faithfully to the Little Steel formula throughout the war, despite heavy pressure to abandon it.

It is estimated that wage changes affecting 32,000,000 workers — 15,000,000 in manufacturing and 17,000,000 in non-manufacturing industries — came under the supervision of the National War Labor Board. The effectiveness of the Board's work in wage stabilization is indicated by the fact that between January, 1941, and October, 1942 — a period when the Board did not have affirmative power to stabilize wages — wages rose .6 percent monthly. From October, 1942, to April, 1945, when the Board had such power, wages rose only .1 percent monthly, or one-sixth as much as during the preceding period (see Item 35 and note, 1943 volume, for the effect of Executive Order No. 9328 on the wage stabilization powers of the National War Labor Board).

The Office of Economic Stabilization did not succeed in bringing inflation to a complete halt, but it did cut its pace down considerably. The demands of powerful pressure groups were soon renewed and again threatened the stabilization program in the spring of 1943. This resulted in the issuance of Executive Order No. 9328 — the "hold-the-line" Order — which considerably strengthened the power of the Office of Economic Stabilization (see Item 35 and note, 1943 volume).

## 98 ¶ Letters to Leon Henderson Directing That Ceiling Prices Be Established for Certain Foods and That Rent Control Be Extended.

October 3, 1942

I HAVE signed the cost of living stabilization bill.

I wish that you would consult with the Secretary of Agriculture and immediately establish ceiling prices for eggs, chickens, butter, cheese, potatoes, flour, and such other foods as can be controlled under existing laws.

In line with my recent message to the Congress, you should consider present governmental payments to agricultural producers, and subsidy payments in arriving at the minimum ceiling prices.

This Government is determined to use all of its powers to prevent any avoidable rise in the cost of living.

\* \* \*

That part of the Nation which has not yet been designated within defense rental areas should now be so treated. We should make no distinction between city and country residents as to their participation in the total war effort. Certainly the contribution of agriculture to the effective prosecution of the war is clear. Therefore, our rural population equally deserves to have its rents stabilized.

I wish you would immediately issue appropriate orders to prevent rent increases on urban and rural dwellings. In such areas as you deem appropriate to reduce current rents, I am sure you will proceed to take such action as may be necessary.

99. *Community Mobilization for Human Needs*

99 ¶ Radio Address Opening the Community  
Mobilization for Human Needs.

October 5, 1942

*My friends and fellow Americans:*

TONIGHT a mighty Community Mobilization begins, a voluntary mobilization of the forces of human kindness and decency. In more than 600 American cities, gifts for foreign war relief and for community services at home will be gathered by the experienced hands of community chests and war chests. The two great labor organizations of the Nation will give full co-operation to this work. And hundreds of thousands of citizens will give freely of their time and talents for the success of these campaigns.

You have been accustomed for many years to showing your concern for the welfare of your own neighbors through contributions to your community chest; and also we must stretch a handclasp of hope and courage across the seas.

We must transform some of our new buying power into giving power as we face redoubled needs on every hand at home and abroad; and prepare to pull our belts tighter for the hard fight ahead.

For most of us this year, giving will not be easy. War needs exact a heavy toll, not only on the fighting front but in the personal lives and fortunes of every one of us. But your giving will provide not alone strength for our Nation at war; but proof, in a world of violence and greed, that the American people keep faith with democracy, that we hold inviolate our belief in the infinite worth of the individual human being.

Your gift may give new heart to courageous families bombed out of their homes in many places; it may add to the precious store of medicines in a distant hospital or speed a shipload of food to a little Nation, whose people are dropping in the streets from starvation. It may strengthen the hands of brave allies fight-

## *99. Community Mobilization for Human Needs*

ing our common foe. It may help a busy mother, working in war industry in your own town, to take proper care of her family. It may speed on her rounds a visiting nurse who is carrying a double load because so many of her profession are now with the armed forces. And it will help your community to give hospitality to soldiers, sailors, and marines on a precious few-days leave, or on their way to some distant battle line.

Your gift must take account, also, of the continuing needs of the sick, the crippled child, the boys and girls whose homes are not adequate to their needs; the dependent, and the unfortunate in your own neighborhoods, whose troubles have not lessened with the new worries and needs which war has brought.

Upon each one of you who listens tonight — upon you as an individual — in your own cities and towns and farms throughout this vast country, rests the success or the failure of these campaigns.

And so in generous giving, we will affirm before the world our Nation's faith in the inalienable right of every man to a life of freedom, and justice and decent security. Every successful community chest, and every war chest campaign will be another step toward the eventual victory of humanity and civilization.

**NOTE:** The President made annual appeals similar to the foregoing in support of the Community Mobilization for Human Needs. For previous radio addresses, and speeches to the leaders of the Community Mobilization, see Item 123, pp. 355-360, 1933 volume; Item 162, pp. 410-413, 1934 volume; Item 150, pp. 426-429, 1935 volume; Item 127, pp. 358-360, 1936 volume; Item 137, pp. 441-443, 1937 volume;

Item 126, pp. 543-545, 1938 Volume; Item 137, pp. 534-536, 1939 volume; Item 109, pp. 467-470, 1940 volume; and Item 92, 1941 volume. In 1943 and 1944, the Community Mobilization for Human Needs was merged into the National War Fund Drive, for which the President made annual appeals over the radio (see Item 108, 1943 volume, and Item 93, 1944-1945 volume).

## 100 ¶ The President Announces the Plan to Try Nazi War Criminals. October 7, 1942

ON AUGUST twenty-first I said that this Government was constantly receiving information concerning the barbaric crimes being committed by the enemy against civilian populations in occupied countries, particularly on the continent of Europe. I said it was the purpose of this Government, as I knew it to be the purpose of the other United Nations, to see that when victory is won the perpetrators of these crimes shall answer for them before courts of law.

The commission of these crimes continues.

I now declare it to be the intention of this Government that the successful close of the war shall include provision for the surrender to the United Nations of war criminals.

With a view to establishing responsibility of the guilty individuals through the collection and assessment of all available evidence, this Government is prepared to cooperate with the British and other Governments in establishing a United Nations Commission for the Investigation of War Crimes.

The number of persons eventually found guilty will undoubtedly be extremely small compared to the total enemy populations. It is not the intention of this Government or of the Governments associated with us to resort to mass reprisals. It is our intention that just and sure punishment shall be meted out to the ringleaders responsible for the organized murder of thousands of innocent persons and the commission of atrocities which have violated every tenet of the Christian faith.

**NOTE:** The President took a number of steps during the war to make sure that evidence on the nature and extent of Axis war crimes would be collected by the Governments of the United Nations, and to make clear to the individuals in the Axis Nations that war crimes

would be punished. For additional statements by the President on this subject, and the action taken in the punishment of war criminals, see Item 101 and note, 1941 volume; Item 83 and note, this volume; Item 122 and note, 1943 volume; and Item 24 and note, 1944-1945 volume.

*101. Veterans' Rehabilitation Service*

**101 ¶ The President Requests the Congress to Establish a Veterans' Rehabilitation Service.**

**October 9, 1942**

*To the Congress:*

WE ARE going to win this war but the winning will require the best efforts of every individual. Among those who are already making full contribution are those physically handicapped people who have been rehabilitated. Upwards of a million persons are now waiting for services of the type that only a fully developed rehabilitation program can give them. We know that there is nothing wrong with the spirit of these people, but without special assistance they may become a social as well as an economic liability. With an adequate program in their behalf they will become a national asset ready to serve in war industries, agriculture, and in other essential occupations.

In addition, the increasing participation of this Nation in the war is resulting in an increase in military casualties and will result in a greater increase. Because of the tremendous strides in medical science during the past two decades, a much larger proportion of these casualties will be non-fatal and will require rehabilitation service.

Our present provisions in this field are inadequate to meet this task. They need to be strengthened and standardized through the creation under the Federal Security Administrator of a Rehabilitation Service. Provisions should be made not only for persons now handicapped but also for persons disabled while members of the armed forces and for the increasing number of accident cases that are accompanying the rapid expansion of our war industries. In order to secure the most effective utilization of the capabilities of the physically handicapped it is important that a single Rehabilitation Service be established for both veterans and civilians.

Veterans, after receiving the benefits and services provided by the Veterans Administration would be certified to the Rehabili-

### *101. Veterans' Rehabilitation Service*

tation Service for vocational rehabilitation whenever this is indicated. While the present plan for Federal-State cooperation should be preserved in this field of training, where it has chiefly operated, the Rehabilitation Service should look after the other aspects of this problem and discharge what is plainly a Federal responsibility — the provision of service to all persons whose disability grows out of the conduct of the war.

Such legislation should permit the establishment of a program adequate to our present needs and should at the same time provide the experience and personnel which will be able to meet such additional burdens as the war may bring.

**NOTE:** Two major pieces of legislation carried out the recommendations made by the President in the foregoing message. On March 24, 1943, the President approved an Act (57 Stat. 43) providing for the vocational rehabilitation of veterans under the Veterans Administration. On July 6, 1943, he approved an Act (57 Stat. 374) to provide funds for rehabilitating vocationally disabled civilians.

Under the first of these two Acts, which provided for education or training for disabled veterans, expert counselors interviewed veterans and gave a series of scientific tests to determine their aptitudes and interests. Education or training was then extended to disabled veterans in order to qualify them to enter a trade or profession despite their disability. It was provided that education could be re-

ceived in colleges and universities, or in business, trade, industrial, and agricultural schools; or that training could be received as an on-the-job trainee or an apprentice in a business.

Under the Act of July 6, 1943, popularly known as the Barden-La Follette Act, a Federal-State program of vocational rehabilitation was vastly expanded. Shortly after the passage of the Act, an Office of Vocational Rehabilitation was established in the Federal Security Agency to set standards of service, provide technical assistance to the States, and to certify funds for the grants-in-aid under the program. Specific provisions were made for the blind, for war-disabled civilians, merchant seamen, and civil employees of the Government injured in line of duty.

102 ¶ The Eight Hundred and Fiftieth Press Conference (Excerpts). October 9, 1942

(*Ethiopia joins the United Nations — St. Lawrence Seaway.*)

THE PRESIDENT: Some time ago I got a cable from the Emperor of Ethiopia, saying, "My Government and people are anxious to assume the obligations of the United Nations Pact. We, the first Nation to regain its freedom and independence, wish to place the military and economic resources of the country at the disposal of those Nations who gladly sacrifice all for liberty and justice."

And after consultation with the other Nations, I sent the Emperor a reply yesterday, saying, "I have received Your Majesty's telegram. It is gratifying to accept the adherence of Ethiopia to the Declaration by the United Nations, to welcome as one of the United Nations the first state to regain its territory after temporary occupation by an Axis aggressor. You may be sure that there is deep appreciation for your offer to place at the disposal of the United Nations the military and economic resources of Ethiopia for use in the struggle against the common enemy."

Q. Mr. President, I want to ask you a question in regard to the St. Lawrence. I don't want to bring up an old thing, but you made a statement about three weeks ago to the effect that the St. Lawrence Seaway should be postponed. The background on this question is this: The Democratic platform at Brooklyn came out for the Seaway. The Republicans at Saratoga Springs said nothing. Mr. Poletti last week was up in Massena and Watertown, upstate New York, in which he came out for it. Mr. Bennett [Democratic Nominee for Governor of New York State] spoke Monday night in Watertown, in which he said that his policy would be just the same as it was during the Smith, Roosevelt, and Lehman administrations. The Republicans are answering that by saying there is no necessity for the Seaway now, the President has thrown it

*102. Eight Hundred and Fiftieth Press Conference*

down. What your friends in northern New York want to know, sir — and you have plenty of them, as you know — is whether or not you have?

THE PRESIDENT: You have been very frank and fine in giving me the background. The background, of course, is the political background in the State of New York at the present time. And I have long ceased to think of this subject as a political matter between two parties, or between two regions. It has seemed perfectly obvious for a great many years — twenty years at least — that this Nation and the Canadian Nation between them have, in the St. Lawrence — regardless of politics, regardless of what party is in power, regardless of what one community thinks — a great river, connecting the largest inland bodies of water in all the world with an ocean. Now that's the real background. It goes back more than twenty years — it goes forty years back. And it is a physical situation which, because of certain rapids and waterfalls like the Niagara River, we are unable to use for our own commerce, or Canadian commerce, or world commerce, what is always the cheapest form of transportation, that is water transportation.

And again, entirely aside from politics, there is no question in the world that if we win this war the time is going to come, after forty years of a great deal of spilled ink and a great many words, there is no question that there will be, some day, access from the Great Lakes to the ocean. It's not just a matter for the State of New York, or a State bordering the Great Lakes. It's a matter for the whole Nation. It's bound to come, because man has the scientific mechanical ability to overcome a handicap of nature. At the same time we all know that a great many different types of power are needed in the development of the Nation. We are getting to the point scientifically where we can transmit power very, very long distances.

Now at both the Niagara Falls, where we harness only a small portion of the power, and in the St. Lawrence River,

*103. Presidential Statement on Columbus Day*

science will give us, for a reasonable cost, a very large additional pool of power. And therefore, if the country, including northern New York, and Buffalo, and New York City, would all think of this in national terms, there is absolutely no question that in time — I don't say now, because that becomes purely a military question during this war — they will recognize the benefits. I doubt very much whether, under the present production circumstances of steel primarily, and manpower, whether we can go ahead at the present time. But that doesn't in any way change the broad aspect of the need of opening the Lakes to the ocean, and of developing the power as soon as we are able to.

Well, I think that's about all there is.

*Q.* It isn't dead, as far as you are concerned?

**THE PRESIDENT:** No. . . .

*NOTE:* For further discussion of the President's position on the St. Lawrence Seaway and Power Proj-

**103 ¶ "We Have Faith; Deeds Will Implement It" — Presidential Statement on Columbus Day.**

**October 12, 1942**

IT IS 450 years since Christopher Columbus first saw the new western world off his bow. He and his followers found a great expanse where new beginnings could be made, where men could steer their courses free of the fetters of tyranny and the encompassment of outworn institutions. In the wake of his courageous and unprecedented voyage there came to the Americas the seeking people of many countries — people who sought liberty, democracy, religious tolerance, the fuller life.

This was the American experiment, a bold experiment and successful. Our immigrant ancestors, yours and mine, made it successful.

#### *104. The President Reports on the Home Front*

But now the free Nations we created on two continents, the very liberties we made law, are endangered by destructive forces from without. We are in the midst of mankind's greatest war, a war to determine whether the march of progress shall proceed or be halted by the totality of conquest.

Our cause is not only liberty for ourselves but liberation for others. An American victory will be a United Nations victory and a victory for oppressed and enslaved people everywhere. I like to remember on this significant anniversary the words of a contemporary poet:

"Columbus found a world and had no chart, save one that faith deciphered in the skies."

We have faith; deeds will implement it.

#### **104 ¶ The President Reports on the Home Front. Fireside Chat. October 12, 1942**

*My fellow Americans:*

As you know, I have recently come back from a trip of inspection of camps and training stations and war factories.

The main thing that I observed on this trip is not exactly news. It is the plain fact that the American people are united as never before in their determination to do a job and to do it well.

This whole Nation of 130,000,000 free men, women, and children is becoming one great fighting force. Some of us are soldiers or sailors, some of us are civilians. Some of us are fighting the war in airplanes five miles above the continent of Europe or the islands of the Pacific — and some of us are fighting it in mines deep down in the earth of Pennsylvania or Montana. A few of us are decorated with medals for heroic achievement, but all of us can have that deep and permanent inner satisfaction that comes from doing the best we know how — each of us playing an honorable part in the great struggle to save our democratic civilization.

#### *104. The President Reports on the Home Front*

Whatever our individual circumstances or opportunities — we are all in it, and our spirit is good, and we Americans and our allies are going to win — and do not let anyone tell you anything different.

That is the main thing that I saw on my trip around the country — unbeatable spirit. If the leaders of Germany and Japan could have come along with me, and had seen what I saw, they would agree with my conclusions. Unfortunately, they were unable to make the trip with me. And that is one reason why we are carrying our war effort overseas — to them.

With every passing week the war increases in scope and intensity. That is true in Europe, in Africa, in Asia, and on all the seas.

The strength of the United Nations is on the upgrade in this war. The Axis leaders, on the other hand, know by now that they have already reached their full strength, and that their steadily mounting losses in men and material cannot be fully replaced. Germany and Japan are already realizing what the inevitable result will be when the total strength of the United Nations hits them — at additional places on the earth's surface.

One of the principal weapons of our enemies in the past has been their use of what is called the "War of Nerves." They have spread falsehood and terror; they have started fifth columns everywhere; they have duped the innocent; they have fomented suspicion and hate between neighbors; they have aided and abetted those people in other Nations — including our own — whose words and deeds are advertised from Berlin and Tokyo as proof of our disunity.

The greatest defense against all such propaganda, of course, is the common sense of the common people — and that defense is prevailing.

The "War of Nerves" against the United Nations is now turning into a boomerang. For the first time, the Nazi propaganda machine is on the defensive. They begin to apologize to their own people for the repulse of their vast forces at Stalingrad, and for the enormous casualties they are suffering. They are com-

peled to beg their overworked people to rally their weakened production. They even publicly admit, for the first time, that Germany can be fed only at the cost of stealing food from the rest of Europe.

They are proclaiming that a second front is impossible; but, at the same time, they are desperately rushing troops in all directions, and stringing barbed wire all the way from the coasts of Finland and Norway to the islands of the eastern Mediterranean.

Meanwhile, they are driven to increase the fury of their atrocities.

The United Nations have decided to establish the identity of those Nazi leaders who are responsible for the innumerable acts of savagery. As each of these criminal deeds is committed, it is being carefully investigated; and the evidence is being relentlessly piled up for the future purposes of justice.

We have made it entirely clear that the United Nations seek no mass reprisals against the populations of Germany or Italy or Japan. But the ringleaders and their brutal henchmen must be named, and apprehended, and tried in accordance with the judicial processes of criminal law.

There are now millions of Americans in army camps, in naval stations, in factories, and in shipyards.

Who are these millions upon whom the life of our country depends? What are they thinking? What are their doubts? What are their hopes? And how is the work progressing?

The Commander in Chief cannot learn all of the answers to these questions in Washington. And that is why I made the trip I did.

It is very easy to say, as some have said, that when the President travels through the country he should go with a blare of trumpets, with crowds on the sidewalks, with batteries of reporters and photographers — talking and posing with all of the politicians of the land.

But having had some experience in this war and in the last war, I can tell you very simply that the kind of trip I took permitted me to concentrate on the work I had to do without ex-

pending time, meeting all the demands of publicity. And—I might add—it was a particular pleasure to make a tour of the country without having to give a single thought to politics.

I expect to make other trips for similar purposes, and I shall make them in the same way.

In the last war, I had seen great factories; but until I saw some of the new present-day plants, I had not thoroughly visualized our American war effort. Of course, I saw only a small portion of all our plants, but that portion was a good cross section, and it was deeply impressive.

The United States has been at war for only ten months, and is engaged in the enormous task of multiplying its armed forces many times. We are by no means at full production level yet. But I could not help asking myself on the trip, where would we be today if the Government of the United States had not begun to build many of its factories for this huge increase more than two years ago—more than a year before war was forced upon us at Pearl Harbor.

We have also had to face the problem of shipping. Ships in every part of the world continue to be sunk by enemy action. But the total tonnage of ships coming out of American, Canadian, and British shipyards, day by day, has increased so fast that we are getting ahead of our enemies in the bitter battle of transportation.

In expanding our shipping, we have had to enlist many thousands of men for our merchant marine. These men are serving magnificently. They are risking their lives every hour so that guns and tanks and planes and ammunition and food may be carried to the heroic defenders of Stalingrad and to all the United Nations' forces all over the world.

A few days ago I awarded the first Maritime Distinguished Service Medal to a young man—Edward F. Cheney of Yeadon, Pennsylvania—who had shown great gallantry in rescuing his comrades from the oily waters of the sea after their ship had been torpedoed. There will be many more such acts of bravery.

In one sense my recent trip was a hurried one, out through

the Middle West, to the Northwest, down the length of the Pacific coast, and back through the Southwest and the South. In another sense, however, it was a leisurely trip, because I had the opportunity to talk to the people who are actually doing the work — management and labor alike — on their own home grounds. And it gave me a fine chance to do some thinking about the major problems of our war effort on the basis of first things first.

As I told the three press association representatives who accompanied me, I was impressed by the large proportion of women employed — doing skilled manual labor running machines. As time goes on, and many more of our men enter the armed forces, this proportion of women will increase. Within less than a year from now there will probably be as many women as men working in our war production plants.

I had some enlightening experiences relating to the old saying of us men that curiosity — inquisitiveness — is stronger among women. I noticed, frequently, that when we drove unannounced down the middle aisle of a great plant full of workers and machines, the first people to look up from their work were the men — and not the women. It was chiefly the men who were arguing as to whether that fellow in the straw hat was really the President or not.

So having seen the quality of the work and of the workers on our production lines — and coupling these firsthand observations with the reports of actual performance of our weapons on the fighting fronts — I can say to you that we are getting ahead of our enemies in the battle of production.

And of great importance to our future production was the effective and rapid manner in which the Congress met the serious problem of the rising cost of living. It was a splendid example of the operation of democratic processes in wartime.

The machinery to carry out this act of the Congress was put into effect within twelve hours after the bill was signed. The legislation will help the cost-of-living problems of every worker in every factory and on every farm in the land.

*104. The President Reports on the Home Front*

In order to keep stepping up our production, we have had to add millions of workers to the total labor force of the Nation. And as new factories come into operation, we must find additional millions of workers.

This presents a formidable problem in the mobilization of manpower.

It is not that we do not have enough people in this country to do the job. The problem is to have the right numbers of the right people in the right places at the right time.

We are learning to ration materials; and we must now learn to ration manpower.

The major objectives of a sound manpower policy are:

First, to select and train men of the highest fighting efficiency needed for our armed forces in the achievement of victory over our enemies in combat.

Second, to man our war industries and farms with the workers needed to produce the arms and munitions and food required by ourselves and by our fighting allies to win this war.

In order to do this, we shall be compelled to stop workers from moving from one war job to another as a matter of personal preference; to stop employers from stealing labor from each other; to use older men, and handicapped people, and more women, and even grown boys and girls, wherever possible and reasonable, to replace men of military age and fitness; to train new personnel for essential war work; and to stop the wastage of labor in all non-essential activities.

There are many other things that we can do, and do immediately, to help meet this manpower problem.

The school authorities in all the States should work out plans to enable our high school students to take some time from their school year, and to use their summer vacations, to help farmers raise and harvest their crops, or to work somewhere in the war industries. This does not mean closing schools and stopping education. It does mean giving older students a better opportunity to contribute their bit to the war effort. Such work will do no harm to the students.

#### *104. The President Reports on the Home Front*

People should do their work as near their homes as possible. We cannot afford to transport a single worker into an area where there is already a worker available to do the job.

In some communities, employers dislike to employ women. In others they are reluctant to hire Negroes. In still others, older men are not wanted. We can no longer afford to indulge such prejudices or practices.

Every citizen wants to know what essential war work he can do the best. He can get the answer by applying to the nearest United States Employment Service office. There are 4,500 of these offices throughout the Nation. They form the corner grocery stores of our manpower system. This network of employment offices is prepared to advise every citizen where his skills and labors are needed most, and to refer him to an employer who can utilize them to best advantage in the war effort.

Perhaps the most difficult phase of the manpower problem is the scarcity of farm labor in many places. I have seen evidences of the fact, however, that the people are trying to meet it as well as possible.

In one community that I visited, a perishable crop was harvested by turning out the whole of the high school for three or four days.

And in another community of fruit growers the usual Japanese labor was not available; but when the fruit ripened, the banker, the butcher, the lawyer, the garage man, the druggist, the local editor, and in fact every able-bodied man and woman in the town, left their occupations, and went out, gathered the fruit, and sent it to market.

Every farmer in the land must realize fully that his production is part of war production, and that he is regarded by the Nation as essential to victory. The American people expect him to keep his production up, and even to increase it. We will use every effort to help him to get labor; but, at the same time, he and the people of his community must use ingenuity and cooperative effort to produce crops, and livestock and dairy products.

It may be that all of our volunteer effort — however well in-

tentioned and well administered — will not suffice wholly to solve this problem. In that case, we shall have to adopt new legislation. And if this is necessary, I do not believe that the American people will shrink from it.

In a sense, every American, because of the privilege of his citizenship, is a part of the Selective Service.

The Nation owes a debt of gratitude to the Selective Service boards. The successful operation of the Selective Service System and the way it has been accepted by the great mass of our citizens give us confidence that, if necessary, the same principle could be used to solve any manpower problem.

And I want to say also a word of praise and thanks to the more than 10,000,000 people, all over the country, who have volunteered for the work of civilian defense — and who are working hard at it. They are displaying unselfish devotion in the patient performance of their often tiresome and always anonymous tasks. In doing this important neighborly work they are helping to fortify our national unity and our real understanding of the fact that we are all involved in this war.

Naturally, on my trip I was most interested in watching the training of our fighting forces.

All of our combat units that go overseas must consist of young, strong men who have had thorough training. An Army Division that has an average age of 23 or 24 is a better fighting unit than one which has an average age of 33 or 34. The more of such troops we have in the field, the sooner the war will be won, and the smaller will be the cost in casualties.

Therefore, I believe that it will be necessary to lower the present minimum age limit for Selective Service from twenty years down to eighteen. We have learned how inevitable that is — and how important to the speeding up of victory.

I can very thoroughly understand the feelings of all parents whose sons have entered our armed forces. I have an appreciation of that feeling — and so has my wife.

I want every father and every mother who has a son in the service to know — again, from what I have seen with my own

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eyes — that the men in the Army, Navy, and Marine Corps are receiving today the best possible training, equipment, and medical care. And we will never fail to provide for the spiritual needs of our officers and men under the Chaplains of our armed services.

Good training will save many, many lives in battle. The highest rate of casualties is always suffered by units comprised of inadequately trained men.

We can be sure that the combat units of our Army and Navy are well manned, well equipped, and well trained. Their effectiveness in action will depend upon the quality of their leadership, and upon the wisdom of the strategic plans on which all military operations are based.

I can say one thing about these plans of ours: They are not being decided by the typewriter strategists who expound their views in the press or on the radio.

One of the greatest of American soldiers, Robert E. Lee, once remarked on the tragic fact that in the war of his day all of the best generals were apparently working on newspapers instead of in the Army. And that seems to be true in all wars.

The trouble with the typewriter strategists is that, while they may be full of bright ideas, they are not in possession of much information about the facts or problems of military operations.

We, therefore, will continue to leave the plans for this war to the military leaders.

The military and naval plans of the United States are made by the Joint Staff of the Army and Navy which is constantly in session in Washington. The Chiefs of this Staff are Admiral Leahy, General Marshall, Admiral King, and General Arnold. They meet and confer regularly with representatives of the British Joint Staff, and with representatives of Russia, China, The Netherlands, Poland, Norway, the British Dominions and other Nations working in the common cause.

Since this unity of operations was put into effect last January, there has been a very substantial agreement among these planners, all of whom are trained in the profession of arms — air, sea,

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and land — from their early years. As Commander in Chief I have at all times also been in substantial agreement.

As I have said before, many major decisions of strategy have been made. One of them — on which we have all agreed — relates to the necessity of diverting enemy forces from Russia and China to other theaters of war by new offensives against Germany and Japan. An announcement of how these offensives are to be launched, and when, and where, cannot be broadcast over the radio at this time.

We are celebrating today the exploit of a bold and adventurous Italian — Christopher Columbus — who with the aid of Spain opened up a new world where freedom and tolerance and respect for human rights and dignity provided an asylum for the oppressed of the Old World.

Today, the sons of the New World are fighting in lands far distant from their own America. They are fighting to save for all mankind, including ourselves, the principles which have flourished in this New World of freedom.

We are mindful of the countless millions of people whose future liberty and whose very lives depend upon permanent victory for the United Nations.

There are a few people in this country who, when the collapse of the Axis begins, will tell our people that we are safe once more; that we can tell the rest of the world to “stew in its own juice”; that never again will we help to pull “the other fellow’s chestnuts from the fire”; that the future of civilization can jolly well take care of itself insofar as we are concerned.

But it is useless to win battles if the cause for which we fight these battles is lost. It is useless to win a war unless it stays won.

We, therefore, fight for the restoration and perpetuation of faith and hope and peace throughout the world.

The objective of today is clear and realistic. It is to destroy completely the military power of Germany, Italy, and Japan to such good purpose that their threat against us and all the other United Nations cannot be revived a generation hence.

We are united in seeking the kind of victory that will guar-

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antee that our grandchildren can grow and, under God, may live their lives, free from the constant threat of invasion, destruction, slavery, and violent death.

**NOTE:** See Item 96, this volume, for the President's press conference account of his trip inspecting camps, training stations and war factories.

**105 ¶ Termination of the Electric Home and Farm Authority. Executive Order No. 9256.**

**October 13, 1942**

BY VIRTUE of the authority vested in me by section 1 of the Act of Congress approved March 31, 1936, 49 Stat. 1186, as amended, and as President of the United States, it is ordered as follows:

1. The Electric Home and Farm Authority shall cease to be an agency of the United States on the effective date of this Order; and proceedings for the dissolution of the Authority shall be instituted in accordance with the laws of the District of Columbia, and the capital stock of the Authority shall be canceled.

2. For purposes of liquidation and payment of its liabilities, all assets, funds, records, contracts, and property of the Electric Home and Farm Authority and the further administration thereof are hereby transferred to the Reconstruction Finance Corporation. All funds remaining upon completion of the liquidation of the Authority shall be paid by the Reconstruction Finance Corporation into the general fund of the Treasury.

3. All personnel of the Electric Home and Farm Authority are hereby transferred, without change in civil service status, to the Reconstruction Finance Corporation.

4. This Order shall become effective as of the close of business October 31, 1942.

**NOTE:** The Electric Home and Farm Authority had been established by Executive Order No. 6514 on December 19, 1933. It was promptly chartered under the laws of Delaware (see Item 184 and note, pp. 526-530, 1933 volume). By Executive Order No. 7139 of August

## *105. Electric Home and Farm Authority*

12, 1935, its jurisdiction was extended and it was reincorporated under the laws of the District of Columbia (see Item 106 and note, pp. 332-334, 1935 volume).

The primary purpose of the Electric Home and Farm Authority was to aid in developing an increased use of electric power through the reduction of the cost of credit to the consumer of electrical appliances. This was accomplished by guaranteeing consumer installment-plan payments to electrical appliance dealers, thus enabling the dealers to give consumers three to four years in which to pay for electrical appliances. In most instances, the E.H.F.A. paid the dealer the full amount immediately on purchase; thereafter, the consumer would pay in monthly installments, which the cooperating local utility company would add to the consumer's monthly electricity bill.

Initially, the E.H.F.A. was established, in conjunction with the T.V.A., to promote and finance the installment buying of electrical appliances in the Tennessee Valley region. It was for this reason that the three directors of the T.V.A. were originally also directors of the E.H.F.A. It soon became apparent that the benefits of the program could and should be extended all over the country. Following the reincorporation of the E.H.F.A. under the laws of the District of Columbia in 1935, the program was extended outside of the Tennessee Valley area. Its management was then

transferred from the T.V.A. directors to a board of trustees comprising the directors and officers of the Reconstruction Finance Corporation, in addition to the Rural Electrification Administrator. The agency was later placed under the general control of the Federal Loan Administrator.

Under the E.H.F.A. program, over 85,000 electrical appliances were purchased by consumers throughout the country. Approximately 50 percent of these were refrigerators; 18 percent were electric ranges; 17 percent were washing machines; 5 percent were water heaters; 5 percent were radios; and the remainder were miscellaneous items. Of these purchases, 88 percent were bought by those with incomes between \$75 and \$250 per month; 6 percent of the purchases fell above, and 6 percent below, this range.

The E.H.F.A. was run on a businesslike basis; throughout its operation, it was self-sustaining financially. Upon its termination, there was turned back to the Treasury the entire amount of the original capitalization — \$850,000 — in addition to an earned surplus of approximately \$650,000.

Because of several wartime developments, the President decided in 1942 to terminate the E.H.F.A. Shortages of materials meant that only a limited amount of electrical appliances could be produced and sold during the war. Further, various restrictions on credit and in-

## **106. Eight Hundred and Fifty-third Press Conference**

stallment buying had been imposed by the Federal Reserve Board by authority of the President (see Item 73 and note, 1941 volume). The President felt that in these circumstances the termination of the E.H.F.A. was required by the Administration's anti-inflationary

measures. The organization left its mark in raising the standard of living in homes and on farms by making modern electrical appliances available on convenient terms and at a low financing cost, both in the area in which it operated and throughout the country.

## **106 ¶ The Eight Hundred and Fifty-third Press Conference (Excerpts). October 20, 1942**

*(Use of Mexican workers — Blanket draft exemptions — Luxury spending — Furlough of older men in the Army — Endorsement of Senator Norris.)*

**THE PRESIDENT:** I have had a number of letters and telegrams and questions asked, in regard to bringing in some very much needed labor from Mexico to help us in some of the places where there is a great shortage of farm labor to move certain definite crops. I asked the State Department what the status was, and they gave me this memorandum.

The arrangements were made under an agreement with the Mexican Government, on August 4, to bring in Mexican agricultural workers. And at the present time there are being brought in under that, 3,000 Mexican agricultural workers, nearly all in California. I think a few in Arizona.

The State Department says contingents of several hundreds of these workers have been moving across the border, under the supervision of representatives of the Farm Security Administration. That has been going on for the past three weeks. These Mexican workers have crossed the border with great enthusiasm, and have marked their trains with banners expressing their eagerness to serve the democratic cause by saving harvests vital to the war effort of the United Nations.

The State Department also says that thousands of other Mexican agricultural workers have registered with their own

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Government as being ready to lend a hand in the production of strategic food crops for ourselves and for our allies. The effective work of those already in the harvest fields of California, readiness of many more to lend a helping hand, the generous response of the Mexican Government to our call for agricultural manpower, are eloquent witness of the important role that our Mexican allies can and are taking in the war of production, upon which the inevitable success of our military program depends.

I take it that others will be brought in, if they are needed to save crops at the time of harvesting, in States that are nearest to the Mexican border. But if necessary in some cases, like the Montana beet fields, they are already moving in some of the Japanese labor into the Montana beet fields. And it is expected that with the shortage, about eight hundred or a thousand more people will probably make the safety of that gathering of the beets assured.

I was told something I did not know before, and that was that if you once get the beets out of the ground — it's very hard work, it isn't the kind of work that women or high school children can do — if you once get the beets out of the ground and pile them at once, it doesn't make any difference if they freeze after that. But you have got to get them out of the ground before the ground freezes. And now that will be accomplished before the ground freezes. . . .

*Q.* There has been some discussion of blanket exemptions of dairy farmers, and people on stock farms, and so forth. Is there anything you could tell us about the general manpower picture now, as it applies to this situation?

**THE PRESIDENT:** Only this. Let's take a simple formula. Suppose there are a hundred people — men and women combined. There are probably at least fifty different kinds of occupations, including being soldiers, including being farm workers, including turning out airplanes. There are about fifty different categories that we have got to satisfy out of those hundred people. Now any legislation which attempts to say

what proportion must under law be carried out is unsound, for two reasons. Things vary in different parts of the country. They even vary in two cities that are fifty miles apart. They vary in needs between one month and another month. And if we once start to go into the details of the use of manpower by legislative amendments, instead of one amendment you might get fifty amendments. And if you got fifty amendments covering all the different occupations that they went into, either the thing would contradict itself, or even if it didn't contradict itself, it might apply in October, but not apply in November. And that's why I don't think that the limiting amendments by groups, occupations, trades, war necessities, or anything else, is perhaps the sound way of approaching it. You can have some over-all objectives. That's all right. . . .

- Q.* I would like to be really elemental about it, Mr. President, as everybody has his own problem, and probably everyone who goes into it will find a farmer who says that he had three farm hands helping him milk the cows, and trundle the milk down the end of the lane, and that two of them left for the factory for three times the wages. Now the old man and the farm hand can't milk the cows. They are dying to get it hauled down there. The sum total of that is the prediction of a milk shortage. And the sum total is the prediction of other shortages all through the country.

*THE PRESIDENT:* That's what we are trying to avoid.

- Q.* Is that the thing we are leading up to?

*THE PRESIDENT:* I think it goes a great deal farther than that — infinitely farther.

Well now, for example, one of the problems that we have probably got to face — mind you, that all ties in with Government finance and consumer purchasing power — I was out for a drive the other day, and went through a small town not far from the national Capital. And we got held up in traffic two or three times, and I was looking in the store windows. My goodness, three-quarters of the store windows were filled

with luxury goods, just plain luxury goods that we could do without, all of us. And one reason is that about a year and a half ago, maybe, people began stocking up their inventories, all over. Now we have got to face the question on manpower as to whether we are going to allow the production of luxury goods any more. That's a very nice question.

Now, here is just another little angle. In this country cash — dollar bills, five-dollar bills, nickels, dimes, quarters, fifty-cent pieces — there are normally about nine billion of them. And today there are about fourteen billion, using very rough figures. In other words, an awful lot more cash floating around. Well, I remember I went into the Navy Department in 1913, and every two weeks I got my salary in cash, and I put it in my pocket. I don't know where it went. (*Laughter*) It just went. I had money in my pocket. I couldn't keep an account with myself. And after about six months of this, certain complaints came from back home about paying the grocery bill.

And so I began taking my salary by check and putting it in the bank, and taking perhaps five dollars cash for the week and putting it in my pocket — trying to anyway. (*Laughter*)

Now people that have got this extra five billion dollars in the country in their pockets, they are going to spend an awful lot of that automatically — it's just human nature — for unnecessary things — luxuries.

Now if they spend it for luxuries, there is going to be a demand for luxuries on the part of the storekeeper, because he can sell them. And making luxuries uses up manpower. So that ties in with the manpower problem. Perhaps an effort should be made to be a little more drastic in preventing the manufacture of luxuries. If you don't see luxuries in the store window it means the store hasn't got any, and you don't buy it because you don't see it, or if you ask for it, they haven't got it.

It's one of those perfectly elemental things which enters into all kinds of problems. For instance, buying war bonds.

106. *Eight Hundred and Fifty-third Press Conference*

If a fellow takes his salary in cash, the way I did, he is much more likely *not* to buy war bonds. I wouldn't know how to write this thing but I don't think you can take just one aspect of the thing, about the problem of the milk farmer's getting his milk down to the end of the lane without considering all the other things.

Q. But you don't forget the farmers?

THE PRESIDENT: Oh, no. Then, of course, you come to another thing. I know one place in this country where a farmer could very easily get two or three high school boys to come down there and carry the milk down to the end of the lane. Also, I know other places in the country, out in the Middle West where the distances are great, where they can't get any high school boys to help them. Every county is different from every other county.

Q. Mr. President, is there anything you can tell us about a plan to furlough men from the Army to go back into industries where they are needed?

THE PRESIDENT: Oh, I would say again the rule of common sense. On this trip I saw men 35 to 40 years old in two of these camps. . . . Well, they would have been much better off in a munitions factory. I think they were too old to march 25 miles a day with heavy equipment. And I imagine that in the Army some of the people who have been inducted already, especially if they can be definitely used in a specific place, some trade they know to be useful in war production, that they will be furloughed back to that kind of work, instead of trying to stay in a combat division in uniform.

Q. Will they continue to draft men of the older group, Mr. President?

THE PRESIDENT: I don't know. Of course there are some fellows, *mirabile dictu*, who are still physically fit at the age of forty that might be drafted. (*Laughter*) . . .

Q. Mr. President, in 1936 you endorsed Senator George W. Norris of Nebraska for reelection. He is running again this

*107. Endorsement of John J. Bennett, Jr. for Governor*

year in a three-way race. I wonder if you would care to say anything about it?

THE PRESIDENT: Well, I am sort of caught unprepared on that one, but I tell you what I wish you would do. I have got a recollection that in 1936 I went to a great big, I think it was an organization Democratic meeting in one of the biggest halls I have ever seen, Aksarben Coliseum, Omaha, Nebraska. And I made a speech at that time, and it's somewhere in my public papers. I would be afraid to quote from it, because it's a long time since I saw it. But the fact remains that at that time, in that speech, I did get a Democratic organization meeting up on its feet cheering for George Norris. And Steve [Early], if you dig that out and have it copied, that part of it, let the boys have it. It's public property. It isn't copyrighted. I don't know that I would change one word of what I said at that time. . . .

*NOTE: See Item 156, pp. 431-432, which he referred in the foregoing 1936 volume, for the President's press conference endorsement of Senator Norris, to*

**107 ¶ The President Sends a Letter to John J. Bennett, Jr., Endorsing Him for Governor of New York. October 23, 1942**

I HAVE your wire and appreciate your bringing the matter to my attention. I have been getting some reports myself of a whispering campaign which seeks to spread false rumors.

To suggest that my support of you is formal and lukewarm is an untruth. I want to make it perfectly clear that I meant what I said — that you are without any question the best qualified of all the candidates for the Governorship.

There are no strings to this endorsement.

I do not believe in protest voting.

I accept as a fact that I can count on full cooperation and unity

between the conduct of the affairs of New York State and those of the national Government if you are elected.

As a citizen and voter of New York, I express the sincere hope that you and not Mr. Dewey will be our next Governor. Under you there will be no danger that the long series of enactments of liberal legislation for the benefit of the average citizen during the past three Governorships will be repealed or emasculated.

*Dear Mr. President:*

You of course know how much I appreciate your support in my campaign for the Governorship. Since your statement there have been many for motives of their own who have spread stories that your support is not wholehearted. I have also heard of stories being spread to the effect that my relationships with you were not completely harmonious. I am sure that we both agree that such statements are entirely without foundation in fact. I know that when you expressed your support of me you meant it. I am sure that you know that I am fully behind you and your policies in these terrible times.

My warm regards.

JOHN J. BENNETT, JR.

## 108 ¶ The President Pays Tribute to the Navy.

October 27, 1942

THIS is the first Navy Day ever to be observed with the United States at war. As such it is the most significant celebration of its kind since Navy Day was first inaugurated in 1922.

As I salute the Navy, in company with 130,000,000 other patriotic American citizens, I am deeply proud of its heroic accomplishments in this war. I am proud not only because of my own long and happy associations with the service but also because as its Commander in Chief I am acutely aware of the tremendous role it is playing in the preservation of freedom and human decency.

When I greeted you just one year ago the Navy was on defense

## *109. Eight Hundred and Fifty-fifth Press Conference*

duty, a symbol of our hope that we could remain isolated and inviolable in a world where tyranny raged unchecked. As I greet you today the Navy is fighting hard in every corner of the globe to bring victory to our cause.

On this occasion I need not ask the people of the United States to pay tribute to our Navy, for I am sure that there is not a man, woman, or child in the land who has not been thrilled by its triumphs and inspired by its indomitable courage. They know that their Navy is doing the biggest job any navy has ever been called upon to do and doing it superbly.

They have the most profound faith in their Navy's ability to sweep our enemies from the seas and in conjunction with the Army, the Marine Corps, and the Coast Guard preserve America's place of honor in the community of Nations.

## **109 ¶ The Eight Hundred and Fifty-fifth Press Conference (Excerpts). October 27, 1942**

*(Economy in use of power — Wendell Willkie's speech — Universal application of Atlantic Charter — Need for social and economic improvement of conditions in Caribbean.)*

THE PRESIDENT: I think about the only thing I have is a letter that was sent on September 26 to Admiral Land, Mr. Nelson, the Army and the Navy, the Defense Plant Corporation, and the Federal Housing Agency, in regard to trying to keep down the cost of war production in relationship to the use of power.

I say (*reading*):

"In arranging for the electric power supply for war plants or establishments, the cheapest sources of power consistent with war requirements should be used."

In other words, it will save the Government a lot of money.

(*Continuing reading*): "Public and private power-supplying agencies should be advised as far in advance as possible of the prospective location and requirements of plants or establishments on or near their sys-

*109. Eight Hundred and Fifty-fifth Press Conference*

tems, in order that they may assist in solving the power supply problem involved, at the lowest possible cost. In many instances it should be possible to lessen power costs, if provision is made for power to be supplied to the consuming agencies directly from the power-generating agency. If the lines of the lowest cost power-supplying agency do not connect immediately with the war plants, there is no reason why connecting lines of other companies or agencies should not be utilized, for a reasonable transmission charge. I am asking the Federal Power Commission to co-operate by using its emergency powers, when necessary, to make available transmission and other appropriate services for the effectuation of the policy."

**Q.** Mr. President, did you listen to your radio from ten-thirty to eleven last night?

**THE PRESIDENT:** I did. Several people dining — we listened to it.

[Wendell Willkie's address to the Nation on his 32,000-mile trip.]

**Q.** Anything you could say about the speech, sir?

**THE PRESIDENT:** I don't know. I suppose the easiest thing to say is to paraphrase an old cigarette advertisement: there isn't a controversy in a carload of speeches.

**Q.** Mr. President, did you feel that Mr. Willkie supported all of your objectives?

**THE PRESIDENT:** I just said I didn't think that there was a controversy in a carload.

**Q.** Does that mean that you agree with him on —

**THE PRESIDENT:** (*interposing*) I told you there wasn't a controversy in a carload.

**Q.** (*continuing*) — most of those points?

**THE PRESIDENT:** (*continuing*) I will sing it, if you want. (*Laughter*)

**Q.** Mr. President, Mr. Willkie suggested in his speech that —

**THE PRESIDENT:** (*interposing*) Is this just another form of the same question?

**Q.** I think not, sir.

**THE PRESIDENT:** All right.

**Q.** (*continuing*) But in the countries which he visited, some of them had given a local and a limited significance to the

*109. Eight Hundred and Fifty-fifth Press Conference*

Charter signed by you and Mr. Churchill because of its name, the Atlantic Charter. I wonder if you could explain —

**THE PRESIDENT:** (*interposing*) I think that's in a perfectly proper form to answer, because it's a matter of record. If you look back in the record, you will find that I, twice last spring, and Mr. Hull on one or two occasions, have already made it perfectly clear that we believed that the Atlantic Charter applied to all humanity. I think that's a matter of record.

**Q.** Mr. President, is it understood generally, do you think, that the term "Atlantic Charter" refers to the fact that it was drafted while you were on the Atlantic Ocean?

**THE PRESIDENT:** I think so. Just the locus of the moment.

**Q.** Mr. President, could we put quotation marks around "the Atlantic Charter applies to all humanity"?

**THE PRESIDENT:** If you will add to it, "as the Secretary of State and I have said several times before." Then you can put quotes around it.

**MR. EARLY:** Quote the whole?

**THE PRESIDENT:** Yes. In other words, I don't want it to appear that that is a piece of news from me today, because it isn't. It's old stuff. . . .

**Q.** I don't know whether the Censor will let this by, but are you going up to Hyde Park to vote, and are you speaking before the election?

**THE PRESIDENT:** I don't think I will speak before the election, and I don't know whether the Censorship will let it by, as to whether I am going to vote by letter or go there.

**Q.** If it's by mail they will, Mr. President. (*Laughter*)

**Q.** Mr. President, have you any comment on the progress of Anglo-American cooperation in the Caribbean?

**THE PRESIDENT:** We have been discussing, as you know, for over a year — I started it — the economic and social future for the people of the West Indies islands, which are owned by a good many different Nations. A good many of them are British; we have a number; the French have some; the Dutch have some; Venezuela has some; Colombia has some. And there

may be some other scattered islands that I haven't thought of.

And I felt for a great many years, knowing the territory pretty well, that something ought to be done for their economic and social future. They have been a liability to the Nations to whose sovereignty they belong. And my thoughts have been running along certain lines which ought to be carried out for all of the islands.

I am not talking about Puerto Rico now, because that is a separate problem, like Haiti, Santo Domingo, and Cuba, all of which have very large populations. But outside of those three main islands — Haiti and Santo Domingo being on the same island — outside of that, most of the islands are small, and exceedingly poor.

I think there are certain things which are worth going ahead with the present and past studies, such as, for example, the extension of the franchise, and the putting in of compulsory education, as a starter. And then try to make the islands as a whole self-sustaining. That means a certain investment, but there probably would be a profit in the long run. I don't mean necessarily a financial profit on the investment. I think you will get your investment back, which is all that a Government could hope to do.

Just, for example, in simple illustrations, some islands can grow cattle. Others can't. And yet you can't get cattle — meat — sheep, chickens, and so forth, from one island to another because there is no refrigeration. In most of these islands it is almost impossible, as some of us know, to get any decent meat, because you can't keep it, because there is no refrigeration. And about the only meat you eat has been killed within a few hours from the time it goes on the dinner table. Other islands are eating things which are not grown on the island. Some islands, for example, buy most of their foodstuffs from long distances, which means that their own money goes to other places, which is not good economy. There are some islands where the production of cattle, for example, is under

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way, with distinct possibilities for the future. They buy their shoes in the United States, or in England, or a little while ago in Czechoslovakia, when they could probably make most of their own shoes themselves out of their own hides. A great many items of that kind which have been studied.

And we are working toward an economy and a social system that will be a very marked improvement, and cause those islands to take care of themselves, instead of being looked after from the outside, and help in the general world picture of a better economy.

Now these commissions that have been at work — some of them have been finished — the studies are continuing. And I hope that some method will be worked out so that all of the islands, excluding the three big ones, can be brought into an economic and social team for the benefit of all of them.

Now that is about as far as we have got at the present time, but it's one of the very interesting studies which I think we initiated over here, and about two years ago. And it's working toward a definite result. . . .

*Q.* Mr. President, can you tell us when you expect to have another meeting such as you had last Friday with Mr. [Frank] Knox [Secretary of the Navy] and Chiefs of Staff?

THE PRESIDENT: I have those all the time. Half the time —

*Q. (interposing)* Is that a formal thing?

THE PRESIDENT: (*continuing*) Look, what happens is this. They come in either your way, or if it is more convenient through this room, or they might come to the White House. I have them morning, noon, and night with different — with different memberships, each one depending a good deal on the individual question to be taken up. And of course a good deal of that is done by my Chief of Staff down in the Joint Staff, or the Combined Staff, and that is just a continuing process. It isn't any news when you happen to see them come in. They are doing it always.

*Q.* Mr. President, there is a lot of talk about a directive central-

## *110. Heroism of the Greeks*

izing control over oil. Is there anything you could tell us about that?

THE PRESIDENT: The petroleum administration thing?

Q. Yes, sir.

THE PRESIDENT: Well, that is — that is under study. I haven't got — I really haven't got any news on it, except it's under study.

Q. Can you tell us anything about a directive to make greater use of indirect control over manpower? Is that under study too, sir?

THE PRESIDENT: Yes. Yes.

VOICES: Thank you, Mr. President.

*NOTE:* For additional references to the Atlantic Charter, see Items 74, 76, 77, and 78, 1941 volume; Item 82, this volume; Item 90, 1943 volume; and Items 120 and 121, 1944-1945 volume.

See Item 28 and note, this volume, for an account of the establishment and activities of the Anglo-American Caribbean Commission.

## 110 ¶ The President Praises the Heroism of the Greeks. October 29, 1942

*My dear Mr. Ambassador:*

ON THE early morning of October 28, 1940, the Fascist aggressors handed an ultimatum to Greece. The challenge was hurled back without a moment's hesitation. This was what might have been expected from a gallant and courageous people devoted to their homeland. You commemorate tonight the second anniversary of the beginning of the total resistance of the Greek people to totalitarian warfare.

More significant, even, than the initial reply to the challenge is the fact that Greece has continued to fight, with every means at its command. When the Greek mainland was overrun, the resistance was carried on from the islands. When the islands fell,

### *III. Voting*

resistance continued from Africa, from the seas, from anywhere the aggressor could be met.

To those who prefer to compromise, to follow a course of expediency, or to appease, or to count the cost, I say that Greece has set the example which every one of us must follow until the despoilers of freedom everywhere have been brought to their just doom.

Very sincerely yours,

His Excellency,  
Cimon P. Diamantopoulos,  
Ambassador of Greece,  
Washington, D. C.

## 111 ¶ The President Expresses the Hope That All Those Eligible Will Vote on Election Day.

October 30, 1942

I HOPE very much that the press and the radio will tell all citizens of the United States that the President hopes they will go to the polls next Tuesday and vote.

We are engaged in an all-out war to keep democracy alive. Democracy survives through the courage and fortitude and wisdom of many generations of fighting Americans. And that includes using not only bullets but also ballots.

I ask that employers — all over the country — will so arrange the work day, that they and all their employees can go to the polls and that there will be no deductions in pay for reasonable time necessarily taken to vote.

I have directed that those responsible for the operation of the Government's workshops — shipyards, navy yards, arsenals, ordnance depots, as well as the executive departments and agencies — should give all the employees an opportunity to vote without any loss of wages for the time away from work.

*112. Integration of War Production with Canada*

**112 ¶ Message to the Congress Urging Integration of War Production with Canada.**

November 2, 1942

*To the Congress:*

ON DECEMBER 23, 1941, I approved a statement of war production policy for Canada and the United States, which contained the following recommendation:

"Legislative and administrative barriers, including tariffs, import duties, customs, and other regulations or restrictions of any character which prohibit, prevent, delay, or otherwise impede the free flow of necessary munitions and war supplies between the two countries should be suspended or otherwise eliminated for the duration of the war."

The needs of the war effort have multiplied our demands for a maximum and integrated war production not only at home and in Canada, but in every country of the United Nations. We must further take advantage of possibilities of procurement from every available source, foreign or domestic. Speed and volume of war output have become more than ever before in our history the primary conditions of victory.

To achieve an all-out war production effort, we must implement and supplement the steps already taken by the Congress and the President to eliminate those peacetime restrictions which limit our ability to make the fullest and quickest use of the world's resources. At my direction, the Government agencies have already removed and are engaged in removing, wherever possible, numerous administrative requirements and formalities affecting the movement of war goods, information, and persons into or out of the United States. There remain, however, many legislative obstacles to that movement which impede and delay our war production effort.

These obstacles fall into two classes: those directly affecting the movement to and from the customs territory of the United States of matériel, information, and persons needed for the war

effort, such as customs duties and the laws, and the administrative supervision required by law affecting movement of persons and property at our borders and ports; and those which impose limitations on the procurement, acquisition, or use of non-American articles or the transportation of supplies in non-American bottoms, such as restrictions on the use, under construction differential subsidy contracts, of non-American materials in the construction of vessels under the Merchant Marine Act of 1936, as amended; on the procurement of any article of food or clothing not grown or produced in the United States or its possessions; on the acquisition for the public use, public buildings, or public works of non-American articles; or the transportation by sea of Navy supplies except in vessels of the United States.

I have already exercised by executive order the power granted under the First War Powers Act to extend to the Government procurement agencies the authority granted to the Secretary of the Navy to make emergency purchases abroad of war materials and to enter them free of duty. This has measurably assisted our war effort, but it only partially eliminates the obstacles prescribed by law which I have already mentioned.

I, therefore, recommend early enactment by the Congress of legislation to the extent required for the effective prosecution of the war, the free movement of persons, property, and information into and out of the United States. I do not now recommend that the Congress repeal or amend any of these peacetime restrictive laws. It is my judgment that the problem can best be dealt with by giving to the President for the duration of the war, but no longer, the power on a selective and flexible basis to suspend the operation of all or any such laws, in such a way as to meet new and perhaps unforeseen problems as they may arise, and on such terms as will enable the Chief Executive and the Government agencies to work out in detail parallel action in other countries.

*NOTE:* From the beginning of the defense period, the President initiated various measures to strengthen the economic and military bonds between Canada and the United States.

### **113. Twenty-fifth Anniversary of U.S.S.R.**

On August 18, 1940, the President and the Prime Minister of Canada announced the establishment of the Permanent Joint Board on Defense (see Item 80 and note, p. 331, 1940 volume). On April 20, 1941, following a conference of the President and the Prime Minister of Canada at Hyde Park, New York, the "Hyde Park Agreement of 1941" was issued. It pledged co-operation between the two countries in supplying critical defense materials (see note to Item 140, 1941 volume, for the text of the Hyde Park Agreement of 1941). A

month before Pearl Harbor, the Prime Minister of Canada announced the establishment of a Joint Defense Production Committee, which was later renamed the Joint War Production Committee of Canada and the United States (see Item 140 and note, 1941 volume, for an account of the establishment and functions of the Joint War Production Committee of Canada and the United States and for a discussion of measures for wartime economic cooperation between Canada and the United States).

### **113 ¶ The President Congratulates the Union of Soviet Socialist Republics on Its Twenty-fifth Anniversary. November 6, 1942**

*His Excellency Mikhail Kalinin, President of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics, Moscow, U.S.S.R.:*

ON THE occasion of this twenty-fifth anniversary of the establishment of the Soviet State I convey to Your Excellency the congratulations of the Government and people of the United States.

For the second time in a generation our two countries are in the forefront of a gathering of Nations aligned against a common enemy. Collaboration in the mighty military task before us must be the prelude to collaboration in the mightier task of creating a world at peace.

The resistance of free peoples has made possible the mounting powers of the United Nations. The Russian Army and the Russian people in their continuing struggle against Nazi conquest today bear the brunt of the massed weight of the Nazi might

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and their incomparable heroism stands as a symbol of determination and unrelenting effort.

Let Your Excellency rest assured that the steadily growing power of the United States has been, and will continue to be, dedicated to complete victory.

**114 ¶ The Eight Hundred and Fifty-seventh  
Press Conference (Excerpts).**

**November 6, 1942**

*(Victory in Libya — Guadalcanal — Strategy in the Pacific — Fighting in Egypt — Results of elections — Manpower — American sense of humor — Overtime work.)*

MR. DONALDSON: All in.

THE PRESIDENT: All of the United Nations have been very much heartened by what looks to be a victory of major importance in the Egyptian-Libyan area. There isn't much news from there that hasn't been given out in the communiqüs, but things seem to be going extremely well.

Outside of that, I don't think there is a thing.

Q. Mr. President, do you know to what extent the Montgomery army was equipped from the United States?

THE PRESIDENT: I don't know, except I would say to a minor degree. In other words, a great deal less than half. I couldn't give you the exact percentage. Of course, Britain has some of our planes and some of our tanks, but we mustn't get the idea that they were equipped with American equipment. It makes a nice headline, but unfortunately it isn't true.

Q. Mr. President, do you consider any of our activities on Guadalcanal of major scale?

THE PRESIDENT: No, I wouldn't, because the whole thing down there is on a limited scale, both on the Japanese side and our side, because of the same old thing, the problem of transporting men and equipment to that very limited area.

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Q. Mr. President, will those actions just be continued then, and where there are continued engagements will they be continued on a limited scale indefinitely, or would it eventually grow to major scale?

THE PRESIDENT: I don't know. I think that is sort of a hypothetical question. It's awfully hard to answer. Can't tell.

Q. Mr. President, is the importance of it necessarily to be gauged by the extent of it?

THE PRESIDENT: No. The importance might be much greater than the extent. On the other hand, it might not be. You remember, I think it was the other day, the headlines used the word "decisive." Now that's an awfully sloppy term to use. It might be, and it might not.

If you look at a map of the South Pacific, you will see that the Japanese have advanced island by island all the way south from the northern end of the Mandated Islands. We attempted, at the beginning of August, to prevent that island-by-island advance from going any further south. So far we have succeeded. If we keep on succeeding in preventing any further southward advance, it's fine — because if we keep on succeeding, we will have the possibility of starting a northward advance on our part.

That will take a long, long time, because as I think I have told you before, it takes months to get a ship with men or munitions from the United States down there and back again. On the other hand, the Japanese line is also long. It takes weeks for them to get a ship from Japan down there and back again.

Now, on the other hand, in words of one syllable, and don't misconstrue them, in case the Japanese were to isolate Guadalcanal — we hope they won't — and take it, it would mean that they had advanced one more island. That is not a decisive victory, because it merely means that the scene of action has been transferred to the next group of islands, their line thereby becoming a little bit longer, and ours remaining

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constant — it wouldn't be any longer. Therefore, it's an action of importance, but not decisive. You can't tell. . . .

In other words, I honestly think that we all ought to be a bit careful and tend toward understatement rather than overstatement on all operations of that kind.

On the other hand, I think the Egyptian fighting of the last two weeks could be called of major importance. I don't know that I would call even that decisive, in the light of past history.

Remember then, this is the third time that something has happened there. The first time was when they smashed up the Italians, and they went on through and got pretty well past Tobruk. And then the Germans went in to help the Italians, and they pushed the British back as far as Tobruk. And then came the second British push, and it went clear through to Bengasi right across the whole hump of Libya. And having taken Bengasi, well we all thought it was not only a major victory but a decisive victory. Well, it was a major victory, but they ran too fast. They got way beyond their line of supplies. And suddenly Rommel struck them again and drove them back to Tobruk. That is why it wasn't decisive.

Then the third thing that happened was that they started an offensive, roughly from the Tobruk line south, and they didn't get very far. And suddenly, without any warning, Rommel caught them off base and drove them clear back to the El Alamein line. And a lot of people — probably the Germans and the Italians — said, "This is the decisive victory." Well, it was a major victory, but it wasn't decisive, because the British held at the El Alamein line.

Now this is really the fourth time they have moved out of the line, and apparently they have inflicted very heavy losses on Rommel's army. And we hope this time it will be not only a major victory but a decisive one, through the destruction of the enemy's forces. And we hope in the next week we will

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get as good news about the German-Italian retreat as we have been getting in the last two or three days. . . .

*Q.* Mr. President, how do you account for Tuesday's election results?

**THE PRESIDENT:** Oh, I think all I can say on it is this, that I had a very pleasant surprise. Tuesday morning I went up to Hyde Park to vote, and when I got there I was perfectly delighted to find that the polling place was open. (*Laughter*) I leave the explanation of that remark to the press. (*More laughter*)

*Q.* Do you think they expected to be closed?

**THE PRESIDENT:** Evidently you don't read certain papers [referring to some papers who said that the President was going to call off the 1942 elections]. . . .

*Q.* Mr. President, will it make any difference in your attitude toward Congress? I mean, you have got a very close majority there, and —

**THE PRESIDENT:** (*interposing*) Why should it? I assume that the Congress of the United States is in favor of winning this war, just as the President is. . . .

*Q.* Mr. President, we understand that the manpower report was transmitted to you. Have you completed your review and study of that report?

**THE PRESIDENT:** I haven't read it. Only don't put it on the record. I have got it in my basket. Look at the basket! (*stacked high with papers*) I will probably get at it this afternoon or tomorrow morning.

*Q.* How soon might we anticipate some action?

**THE PRESIDENT:** I haven't any idea. I wouldn't even guess at it.

On this whole manpower thing, anybody that studies it and thinks that they can, after studying it for a week, come to an intelligent conclusion, ought to be in St. Elizabeth's. You can't do it. You can't spend a day, or a week, in studying it and form a definite, detailed plan. And that is why it has taken quite a lot of time.

But with that goes this other fact, that this whole manpower thing, with the exception of one or two portions of

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farm labor, is not at this time an emergency matter. As an example, in farming, practically all of the crops are in, with the exception of one or two very small areas. And the problem of farm labor is therefore not an emergency matter, except in dairying. There will be one or two other minor things. Dairying is difficult, because dairying goes on right through the winter, as well as the crop season. Everybody knows that.

And outside of that we are not having any emergency problem affecting manpower in, for example, our factories, transportation, and similar things. We *are* going to have it, because we have probably got to put into industry this coming year four or five million people. But I don't know of any factory that is shut down because of lack of labor *today*. You have got to add the word "today." In other words, something has got to be done, but it isn't a matter of immediate emergency in the conduct of the war. It's going to be a serious thing unless we handle it soon. And that is why I can't give you any date. Neither am I able to formulate at this time any definite plan — there have been various plans submitted — it's an awfully difficult problem. . . .

I see my friend the little Mayor [Fiorello LaGuardia of New York City] has stirred up a hornet's nest as to how to prepare coffee. We will have a lot of grave issues like that during the coming year. (*Laughter*) What I am a little afraid of is that somebody will raise the issue that was paramount in this country a few years ago, as to whether one should "crumble" or "dunk" the doughnut. (*Continued laughter*) Now those are very important things in our national life. And it's part of the grand sense of humor of the American people, and it's all to the good.

- Q. Mr. President, it's probably useless to ask you on this matter, but does the forty-hour week have anything to do with this manpower? Senator W. Lee O'Daniel has introduced a bill to repeal the forty-hour week.

THE PRESIDENT: We haven't got a forty-hour week. Most of the

people in the very important production are working 48 hours.

*Q. (interjecting) Yes.*

**THE PRESIDENT:** (*continuing*) And I think that the average of the important production is around — between 46 and 47 hours a week.

*Q. O'Daniel wants to work six days a week twelve hours a day, sir.*

**THE PRESIDENT:** You know, really, on that working six days a week and twelve hours a day, there is one thing which I didn't mention about this last trip, and that was that quite a number of people in different plants told me that they have the problem — like any big plant that employs forty or fifty or sixty thousand people — of a certain percentage of the workers not turning up in the morning. And in two or three of these plants when those workers come in the next day, they are asked voluntarily to sign a little card, saying why they didn't turn up the previous day.

And it's interesting that where workers have been working overtime, up in some cases to 56 hours a week that the reasons given for not turning up on these cards are that they were too tired.

Now we all know the very careful studies that have been made of production in Germany; and that after you work anybody over a certain definite period, depending a little on the work that is done, after the first few weeks or the first few months you don't get any more production with a very, very long week — with a lot of overtime — than you do in a shorter week. Now people ought to recognize it. It is a fact that has been proved in England, over here, and in Germany.

Right along that line we got reports last spring, from Germany, that they were very greatly increasing the weekly hours of work in certain munitions plants from which they had to have the munitions; and that they started this great increase in the hours per week, sometime in the spring. And

### *115. Broadcast to French on North African Invasion*

for about two months the total production showed a great increase. At the end of two months it started to slide down-hill, until the time came in Germany when, on a greatly increased work week — working as high as seventy or eighty hours a week — after the people had got thoroughly tired and exhausted, the output was not so great as when they had been working forty-eight hours a week. Now those reports obtained by the intelligence services have come in in such volume that they look to be true, that German production in the last few months has fallen off, in spite of the much longer work week. . . .

*NOTE:* See Item 44 and note, this volume, for an account of the creation and activities of the War Man-power Commission.

### **115 ¶ The President Broadcasts to the French People on the Day of the North African Invasion. November 7, 1942**

MY FRIENDS, who suffer day and night, under the crushing yoke of the Nazis, I speak to you as one who was with your Army and Navy in France in 1918. I have held all my life the deepest friendship for the French people — for the entire French people. I retain and cherish the friendship of hundreds of French people in France and outside of France. I know your farms, your villages, and your cities. I know your soldiers, professors, and workmen. I know what a precious heritage of the French people are your homes, your culture, and the principles of democracy in France. I salute again and reiterate my faith in Liberty, Equality, and Fraternity. No two Nations exist which are more united by historic and mutually friendly ties than the people of France and the United States.

Americans, with the assistance of the United Nations, are striving for their own safe future as well as the restoration of the ideals, the liberties, and the democracy of all those who have lived under the Tricolor.

## *115. Broadcast to French on North African Invasion*

We come among you to repulse the cruel invaders who would remove forever your rights of self-government, your rights to religious freedom, and your rights to live your own lives in peace and security.

We come among you solely to defeat and rout your enemies. Have faith in our words. We do not want to cause you any harm.

We assure you that once the menace of Germany and Italy is removed from you, we shall quit your territory at once.

I am appealing to your realism, to your self-interest and national ideals.

Do not obstruct, I beg of you, this great purpose.

Help us where you are able, my friends, and we shall see again the glorious day when liberty and peace shall reign again on earth.

*Vive la France éternelle!*

**NOTE:** Several weeks after the attack on Pearl Harbor, the President had started canvassing the possibility of using North Africa as a jumping-off place for an invasion of the European continent. The President and Prime Minister Winston Churchill discussed the subject of an operation in French North Africa during the Prime Minister's visit to the United States at Christmas, 1941 (see Item 144 and note, 1941 volume). Thereafter the military staffs of Britain and the United States worked on tentative plans for operations in Northwest Africa, Morocco, and Algiers.

Early in 1942, however, it was decided to postpone the actual operations. The determination was based on several factors. First, the United States was not yet strong enough for an offensive. Second, our still

limited naval strength was urgently needed to check the rapid advance of the Japanese in the Southwest Pacific. Third, the sorely pressed position of Russia and Russia's intense anxiety for relief through a European second front caused the earnest consideration, early in 1942, of a limited invasion of the European continent from the British Isles in lieu of the contemplated North African action.

Meanwhile, invaluable political and military intelligence was flowing in from the Vichy Government of Marshal Pétain, where Admiral William D. Leahy was stationed as Ambassador. Further, American vice-consuls at a number of points in French North and West Africa were laying the groundwork for eventual military operations in that area. (See Item 41 and note, 1941 volume, for an account of the Presi-

## 115. Broadcast to French on North African Invasion

dent's policies in respect to the Vichy Government of Marshal Pétain.)

During Prime Minister Churchill's conferences with the President in Washington in June, 1942 (see Item 72 and note, this volume), the news of Rommel's capture of Tobruk and the German threat to Egypt caused a revival of the plan for a North African invasion. In July, the final decision was made to proceed with the invasion of Northwest Africa concurrently with a British drive westward from El Alamein. This decision was made only after spirited discussions throughout the early months of 1942 among American and British military and naval staffs. Initially, the American staffs were strongly in favor of concentrating forces for a major cross-Channel operation to France in 1943, complemented by a smaller operation to secure a bridgehead in France in the fall of 1942. The latter operation, at first designed as an emergency move in the event of Russian military collapse, soon developed into a prelude to the larger 1943 invasion plan. The President heartily supported these proposals, in which the British at first concurred. Throughout the discussions the President insisted firmly that in any plan devised there must be the provision for placing American forces in battle against the Germans before the end of 1942.

With the deterioration of the British military position in the fall

of Tobruk, discussions took a new turn and it became necessary to abandon the cross-Channel venture planned for 1942 in favor of the North African operation. General Dwight D. Eisenhower, who commanded both the North African invasion and the 1944 invasion of France, and who was initially one of the strongest advocates of the 1942 cross-Channel venture (known in code as Operation Sledgehammer), commented in his book *Crusade in Europe* (Copyright 1948 by Doubleday & Company, Inc.):

"Later developments have convinced me that those who held the Sledgehammer operation to be unwise at the moment were correct in their evaluation of the problem. Our limited-range fighter craft of 1942 could not have provided sufficiently effective air cover over the Cotentin or Brittany peninsulas, against the German air strength as it then existed. At least, the operation would have been very costly. Another reason is that out of the northwest African operation flowed benefits to the Allied Nations that were felt all through the war and materially helped to achieve the great victory when the invasion actually took place in 1944."

The objectives of the North African operation were: to open up the Mediterranean as an Allied supply line; to bolster Allied security by removing the threat of German activities in western Morocco and Dakar; to draw off German troops from the Russian front; and to stimulate French morale and the morale of all free peoples. Convincing that the French in North

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Africa would offer less resistance to the Americans than to the British, the President insisted in two cables to Prime Minister Churchill on August 30 and September 2, 1942, that the North African operation be primarily an American one. Although General de Gaulle had built up a large following among patriotic Frenchmen, the President and Prime Minister Churchill agreed that it was strategically wise not to include him in the invasion negotiations. This decision was based on their hope that without the active participation of General de Gaulle, there was more likelihood of greater cooperation from the Vichy-appointed French leaders in Algiers.

Initially, it was hoped that task forces could strike early in the fall simultaneously at Algiers, Oran, and Casablanca; but the operation was postponed until November because of the shortage of landing craft and the need for training of the crews. Under the direction of General Dwight D. Eisenhower, planning for the operation proceeded in London during the summer of 1942. Elaborate and skillful psychological warfare was conducted by the Office of Strategic Services and by Department of State representatives among the French peoples on the African continent. Robert D. Murphy was appointed Adviser on Civil Affairs to General Eisenhower and assisted in the difficult diplomatic and politi-

cal negotiations which preceded the military operations.

Some compromise had to be made on the question of inclusion of British forces, and one of the three task forces—that which landed at Algiers—was a combined British-American ground force escorted by the British Navy; the other two task forces consisted almost wholly of American ground troops. Two of the task forces sailed from the British Isles on October 25, 1942, while the third was organized in the United States and assembled at sea on October 24. While the convoys were at sea, General Eisenhower opened his command post at Gibraltar, where he completed final arrangements with General Henri Giraud, who was subsequently made commander of all French forces in North Africa and Governor of the French North African provinces.

On November 8, landings began. Within 48 hours of the landings, the major airfields and ports in North Africa had been secured. Only token resistance was encountered at Algiers. At Oran, bitter opposition, particularly from French naval units, was met for two days. Along the Moroccan coast, the French military resistance was far more serious. (For other accounts of developments in the North African invasion, see Items 116, 117, 124, and 126 and notes, this volume, and Item 48, 1943 volume.)

*116. Message of Assurance to Marshal Pétain*

**116 ¶ The President Sends a Message of Assurance to Marshal Pétain. November 8, 1942**

*Marshal Pétain:*

I AM SENDING this message to you as the *Chef d'État* of the United States to the *Chef d'État* of the Republic of France.

When your Government concluded the Armistice Convention in 1940, it was impossible for any of us to foresee the program of systematic plunder which the German Reich would inflict on the French people.

That program, implemented by blackmail and robbery, has deprived the French population of its means of subsistence, its savings; it has paralyzed French industry and transport; it has looted French factories and French farms — all for the benefit of a Nazi Reich and a Fascist Italy under whose Governments no liberty-loving Nation could long exist.

As an old friend of France and the people of France, my anger and sympathy grows with every passing day when I consider the misery, the want, and the absence from their homes of the flower of French manhood. Germany has neglected no opportunity to demoralize and degrade your great Nation.

Today, with greedy eyes on that Empire which France so laboriously constructed, Germany and Italy are proposing to invade and occupy French North Africa in order that they may execute their schemes of domination and conquest over the whole of that continent.

I know you will realize that such a conquest of Africa would not stop there but would be the prelude to further attempts by Germany and Italy to threaten the conquest of large portions of the American hemisphere, large dominations over the Near and Middle East, and a joining of hands in the Far East with those military leaders of Japan who seek to dominate the whole of the Pacific.

It is evident, of course, that an invasion and occupation of French North and West Africa would constitute for the United

States and all of the American Republics the gravest kind of menace to their security — just as it would sound the death knell of the French Empire.

In the light of all the evidence of our enemy's intentions and plans, I have, therefore, decided to dispatch to North Africa powerful American armed forces to cooperate with the governing agencies of Algeria, Tunisia, and Morocco in repelling this latest act in the long litany of German and Italian international crime.

These indomitable American forces are equipped with massive and adequate weapons of modern warfare which will be available for your compatriots in North Africa in our mutual fight against the common enemy.

I am making all of this clear to the French authorities in North Africa, and I am calling on them for their cooperation in repelling Axis threats. My clear purpose is to support and aid the French authorities and their administrations. That is the immediate aim of these American armies.

I need not tell you that the ultimate and greater aim is the liberation of France and its Empire from the Axis yoke. In so doing we provide automatically for the security of the Americas.

I need not again affirm to you that the United States of America seeks no territories and remembers always the historic friendship and mutual aid which we have so greatly given to each other.

I send to you and, through you, to the people of France my deep hope and belief that we are all of us soon to enter into happier days.

**NOTE:** After the fall of France in 1940, it had been the President's consistent policy to maintain diplomatic relations with the Vichy Government to achieve only one objective: to persuade its officials not to engage in total collaboration with the Germans. It was, thus, the President's aim to prevent the

French fleet from falling into Nazi hands, to obtain valuable military and political intelligence, to prevent Axis use of French colonies, and to prevent Axis infiltration into North Africa. Further, it was the desire of the President — ultimately so fully realized — to keep burning the spirit of liberty among

## 116. Message of Assurance to Marshal Pétain

the French people, with the hope of encouraging their active resistance to the Nazis and the ultimate restoration of free institutions in France (see Item 41 and note, 1941 volume, and Item 76 and note, this volume, for a fuller account of the President's policy in respect to Vichy).

Robert E. Sherwood, in his illuminating volume, *Roosevelt and Hopkins*, has set forth some of the circumstances surrounding the composition of the foregoing message from the President to Marshal Pétain. The text of the first draft of the message was cabled to Winston Churchill, and the latter protested to the President that as drafted it was "much too kind," inasmuch as Pétain had "used his reputation to do our cause injuries no lesser man could have done." The President then reworked the draft in his own hand, eliminating the salutation, "My dear old friend," and the complementary closing, "Your friend," and making several other changes. The first paragraph of the initial draft read: "I am sending this message to you not only as the *Chef d'État* of the United States to the *Chef d'État* of the Republic of France, but also as one of your friends and comrades of the great days of 1918. May we both live to see France victorious again against the ancient enemy." In the draft revised by the President, the phrase "not only" was eliminated, as well as everything in the first paragraph following the phrase "Republic of

France." In addition, the first draft stated that "your Government concluded, of necessity, the Armistice Convention in 1940"; the final draft omitted the phrase "of necessity." The President also deleted references to "the venerated hero of Verdun," and the phrase "my warm regards."

There was only slight hope at the time the message was sent that it would have its effect on Marshal Pétain. On November 8, Marshal Pétain shattered even this slight hope when he sent the following reply to the President:

"It is with stupor and sadness that I learned tonight of the aggression of your troops against North Africa.

"I have read your message. You invoke pretexts which nothing justifies. You attribute to your enemies intentions which have not ever been manifested in acts. I have always declared that we would defend our Empire if it were attacked; you should know that we would defend it against any aggressor whoever he might be. You should know that I would keep my word.

"In our misfortune I had, when requesting the armistice, protected our Empire and it is you who acting in the name of a country to which so many memories and ties bind us have taken such a cruel initiative.

"France and her honor are at stake.

"We are attacked; we shall defend ourselves; this is the order I am giving."

(For additional discussion of the invasion of North Africa and its immediate aftermath, see Items 115, 117, 118, 119, 123, 124, 126 and notes, this volume; and Item 48 and note, 1943 volume.)

*117. Message to Portugal on North African Invasion*

**117 ¶ The President Assures Portugal Regarding America's Intentions in North Africa.**

November 8, 1942

*My dear Mr. President:*

THE Republic of Portugal and the United States of America have long enjoyed the full and complete friendship of each other. Because of this great friendship, and our mutual desire to insure its continuation, I desire to relate to you the urgent reasons that have compelled me to dispatch to the assistance of the friendly French possessions in North Africa a strong Army of the United States.

I have been advised by very reliable sources of information that in the near future it is the intention of Germany and Italy to occupy the French North African colonies with a large military force.

I know that it will be quite clear to you that prompt and effective action should be taken to deter such an attempt by the Axis Nations, with its inherent danger to the defenses of the Western Hemisphere.

To forestall occupation by the Axis Nations of the French North African possessions and protectorates, and thus to insure the defense of American Nations, is the only reason which prompts the dispatch of powerful United States forces to the area. It is hoped that French North Africa will not suffer in any way from the destruction of war on its own soil.

I desire to reassure you fully that the presence of American military forces in French North Africa presages in no manner whatsoever, a move against the people or Government of Portugal or against any of Portugal's continental or island possessions. Since I realize that Portugal really desires above all else to avoid the horrors and devastation of war, I hope that you will accept my solemn assurance that your country should have no fear of the motives of the United Nations.

I am, my dear Mr. President,

Your sincere friend,

## *117. Message to Portugal on North African Invasion*

**NOTE:** Simultaneously with the foregoing message, the President dispatched similar assurances to Spain and Tunis. On November 14, 1942, a similar message was sent to the Governor General of Algeria.

On November 12, 1942, the President received the following reply from General Caroma, President of the Republic of Portugal:

*"Mr. President:*

"I received from the hands of His Excellency the United States Minister the message with which Your Excellency honored me, conveying to me the motives for the military operations undertaken in French North Africa.

"In the same message it was Your Excellency's wish in view of that new fact again to assure me categorically that the presence of military American forces in the North of Africa do not forebode any attempt against the people and Government of Portugal or against Continental or Insular Portugal.

"I do not wish to lose any time in thanking Your Excellency for the friendly tenor and spirit of your communication and further for the solemn assurances that my country has nothing to fear from the intentions of the United States, which is another proof of the unalterable and confident friendship existing between our two Nations.

"The Government and the people of Portugal learned with sincere appreciation of the contents of the message and join me in conveying to Your Excellency the thanks and the wishes I hereby express for Your Excellency's personal prosperities and those of your people."

On November 13, 1942, the President received the following reply

from General Francisco Franco, the head of the Spanish state:

*"My dear Mr. President:*

"I have received from the hands of your Ambassador the letter in which, actuated by the relations of friendship which unite our peoples, and which in their benefit should be preserved, you explain to me the reasons which induced Your Excellency to send troops of the American Army to occupy the territories of the French possessions and protectorates in North Africa.

"I accept with pleasure and I thank you for the assurances which Your Excellency offers the Government and the people of Spain to the effect that the measures adopted are not in any manner directed against their interests, or against their territories, metropolitan or overseas, or against the protectorate in Morocco, and I confidently hope that the relations among the Moroccan peoples of both zones likewise will in the future be maintained in the same spirit of peace and of reciprocal confidence which have characterized them up to now.

"I can assure you that Spain knows the value of peace and sincerely desires peace for itself and for all other peoples.

"On this occasion I am pleased to reciprocate the same friendly sentiments you expressed to me and to express my intention of avoiding anything which might disturb our relations in any of their aspects, and I reiterate with a salutation the expression of my personal esteem and sincere friendship."

(For further accounts of developments in the invasion of North Africa, see Item 41, 1941 volume; Items 115, 124, and 126 and notes, this volume; and Item 48, 1943 volume.)

**118 ¶ White House Statement on Laval's Decision to Sever Relationships with the United States. November 9, 1942**

THE representative of this Government at Vichy has reported that last evening M. Laval, Chief of the Government at Vichy, notified him that diplomatic relations between Vichy and this Government had been severed. I regret this action on the part of M. Laval.

He is evidently still speaking the language prescribed by Hitler.

The Government of the United States can do nothing about this severance of relations on the part of the Vichy Government.

Nevertheless, no act of Hitler, or of any of his puppets, can sever relations between the American people and the people of France. We have not broken relations with the French. We never will.

This Government will continue as heretofore to devote its thought, its sympathy, and its aid to the rescue of the 45,000,000 people of France from enslavement and from a permanent loss of their liberties and free institutions.

*NOTE:* For further discussion of 117, 119, 123, 124, 126 and notes, the North African operation and this volume. Its aftermath, see Items 115, 116,

**119 ¶ The Eight Hundred and Fifty-ninth Press Conference (Excerpts). November 10, 1942**

*(North African operations — Planning for offensives — Elections and the date of North African invasion.)*

THE PRESIDENT: In regard to the North African operations, we have practically no news that you people don't get just about as fast as we get official news.

*119. Eight Hundred and Fifty-ninth Press Conference*

I do want to revert back for a minute to one thing I talked about quite a long while ago as to peaks and valleys in the conduct of the war. I think we should remember what I said at that time, that there are peaks and valleys, and especially so in lay opinion. In other words, the average person is a layman and we mustn't get unduly depressed over one operation, and unduly elated over another operation. So far, the expedition into Africa seems to be going well. So far, the British operation in western Egypt seems to be going well. I think we should, on all operations which are either successful or the contrary, we should not do too much prognosticating as to the ultimate results as laymen. I don't want to throw cold water on that particular area. That particular operation seems to be going well up to the present time. We can be very thankful that that is so.

**Q.** Mr. President, we realize that there are certain limitations and a certain secrecy which must be maintained, but is there anything you can tell us now about the planning and the execution of this African expedition?

**THE PRESIDENT:** Yes. I was telling two or three people this morning, which probably would come to you secondhand; so I might as well make it firsthand. (*Laughter*)

The inception of this particular operation goes back to about two weeks after Pearl Harbor — that is a long time ago — at the time that I invited Mr. Churchill and his joint staff to come over here, just before Christmas last year. It was timed for joint planning between the two of the Allied Nations that have the most military and naval force.

And we discussed at that time the desirability of an offensive. And there were various offensives considered, especially the possibility of a very large frontal attack across the English Channel. That was considered in the light, of course, of the creation of sufficient munitions, such as planes, to make it reasonably sure of success. There was also the very large factor of shipping, as to how many people could be got across from here within a given time. And the military and naval

## *119. Eight Hundred and Fifty-ninth Press Conference*

opinion at that time was that it would be feasible. And a good deal of work was done along that line.

The more it was studied, however, the more it became apparent that because of physical limitations, an offensive along the coast of France or Belgium probably could not be carried out with a reasonable chance of success in the year 1942. There were, I say, physical limitations — the production of various munitions, the training of sufficient men, and the transportation of the men and the materials over to the other side.

Therefore, at the time I asked Mr. Churchill to come over here — I think it was at the end of May or the beginning of June — there was an issue presented in regard to an offensive; and that was whether an offensive on a very large scale, which would have been compulsory, could be conducted some time around the middle of 1943, or whether an offensive on a smaller scale, for which the problems of transportation and manufacture were not so great, could be started in 1942.

And at that time we surveyed the various possibilities of an offensive more limited in its scope. And a good many of them were dismissed, with the result that by the end of June there was general agreement on the African offensive; and by the end of July certain fundamentals of it, such as points of attack, numbers involved, and shipping and manufacturing problems, were all determined on.

And it was about that particular time — perhaps a little bit later — that people were beginning to talk about a second front. Actually, the second front had already been determined on by the two Governments. By the end of August the approximate date of the attack was decided on.

And so in succeeding months both Mr. Churchill and I have had to sit quietly and take with a smile, or perhaps you might say take it on the chin (*laughter*) as to what all the outsiders were demanding.

And I discovered nearly a year ago a very simple fact, and that was that in a world war neither Mr. Churchill nor I could walk down the street and go into a department store

and purchase and walk out with a second front. I learned it a long time ago — many months. I found that a second front was tailor-made — custom-built. They had to decide what kind of a suit of clothes you wanted, and then take it to the expert clothesmakers and not get it delivered until several months had passed.

I thought that most people would have discovered that fact just the way I did. Well, now they have.

And I suppose that's a pretty good rule of all wars. You can throw an expedition together to go somewhere without planning, and in a very rare instance it might work, if you had all the luck on your side, and the other fellow made all the mistakes and you didn't make any. But after all, where hundreds of thousands of lives are involved; we do try to conduct war operations by what is known as a reasonable chance of success. That involves a great deal of study, a great deal of coordination, a great deal of preparation of all kinds, starting literally in the fields and in the mines. It means tying it in with our other operations in every part of the world. It means that you have to find out how much you have got in the way of men and munitions and planes and guns, and see whether you have to do any robbing of "Peter" to pay "Paul"; that in order to carry out the one given objective, whether you can maintain the other objectives, or whether you would be forced to abandon some of the other objectives.

And of course — I am talking just in words of one syllable — I think I have acquired during this past year or more, that viewpoint — because it's really words of one syllable — you can't conduct at top speed objectives all over the world where you would like to, because of all kinds of things: the totals of production, the totals of trained manpower, not untrained manpower. And finally, the problem of getting the man and the weapon to the place where he will fight the enemy.

And it comes back to the fact that you can't find a second offensive in a department store, ready-made.

119. Eight Hundred and Fifty-ninth Press Conference

And so we ordered an offensive about four months ago, and it has taken that length of time actually to put it into effect. And we hope it is going to work.

I don't know any easier way of putting it than that. . . .

Q. Mr. President, in your chronology there was one important event which wasn't mentioned. Were the final decisions clinched during the visit of Mr. [Harry] Hopkins, and [Steve] Early, and — (*laughter*)

MR. EARLY: (*laughing*) Oh!

Q. (*continuing*) Chief of Staff —

THE PRESIDENT: (*interposing*) I think Steve probably — that Steve did the whole thing. (*Much laughter*)

Q. Well, excluding Mr. Early —

THE PRESIDENT: (*interposing*) It wasn't needed. This was a developing thing — absolutely developing thing. But, in other words, where do you draw the line? You see, the difficulty is where do you draw the line as the point of departure? Well, the point of departure in one sense was last January, after Mr. Churchill got through here. The next was another step in June. And then after that there were several steps that were handled partly in person and partly by cable, until the thing got "buttoned up" — using the worst expression I can use — somewhere around the end of July. That was the final determination, not merely the policy; that went much further back. Not merely on location; that went much further back. Not merely on general things, like general scope. But it actually got down at that time to details.

Q. Mr. President —

Q. (*interposing*) Mr. President —

Q. (*interposing*) Mr. President, isn't Steve's visit still a military secret?

THE PRESIDENT: What?

Q. Isn't Steve's visit still a military secret?

THE PRESIDENT: My Lord, I had forgotten that! (*Laughter*)

MR. EARLY: (*interposing*) No. It was announced from Hyde Park.

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THE PRESIDENT: Announced at Hyde Park. . . .

Q. Mr. President, I understood you to say that the dates of the African invasion were selected at the end of August, and the time at the end of July. Would you make sure what that was —

THE PRESIDENT: (*interposing*) No. The details you might call — oh, I suppose a good example is places of landing, general totals of units. That was decided on around the end of July. And the decision on the date came about a month later.

Q. Mr. President, can you tell us why the date was put after election?

THE PRESIDENT: Well, Jimmie Byrnes made a very wise remark today — one of those curious anomalies. The date was set without anybody thinking about election. But Jimmie said today, if we had really been smart we would have gone back to the fact that I had shifted Thanksgiving Day one week ahead, and why, therefore, didn't I shift the election date to one week later. (*Laughter*)

Q. Mr. President, you spoke of planning these offensives as one does custom-made clothes. Could you tell us whether you are giving any consideration to the possibility of a new suit of spring clothes for Mussolini?

THE PRESIDENT: Well, by that time he might not have any clothes on at all! (*Laughter*)

Q. Couldn't we even use that?

THE PRESIDENT: That's all off the record. But they do tell me that he has only got a shirt on now! (*More loud laughter*)

Q. Mr. President, are there any details of the planning you can give us, such as when you made your records, and the planning that went into that — the French-language broadcast? There are some very interesting stories going around on that.

THE PRESIDENT: Yes. I think they are essentially true. The messages to His Imperial Majesty the Emperor of Morocco, and His Highness the Bey of Tunis, and the Governor General of Algeria, I think I did those about — about three weeks ago — just about — maybe a little more — perhaps nearly a

119. Eight Hundred and Fifty-ninth Press Conference

month ago. And then about a few days — two or three days later I did the phonograph message in the Cabinet room one day. Even Steve [Early] wasn't there. (*Laughter*) But then he doesn't speak French, so it was all right. (*More laughter*) Admiral Leahy and Captain McCrea, and two special operators were in there and did the transcription.

- Q. Mr. President, you spoke of the choice between a limited offensive now and a larger offensive next summer. Are the limiting factors necessarily still operating to the same extent that they were?

THE PRESIDENT: No. No. In other words, I don't think you need to assume that the total of prospective offensive operations has been limited in any way by this African expedition.

- Q. Well, I was wondering if it might not open up additional possibilities, that is, through the release of —

THE PRESIDENT: (*interposing*) Well, as I was saying to the Secretary of State [Cordell Hull] — or rather as he was saying to me just now, "Before we talk about the future let's get firmly established in Africa."

- Q. Well, I just meant as part of the war of nerves.

THE PRESIDENT: What?

- Q. I just meant as part of the war of nerves.

THE PRESIDENT: Of nerves. Well, I think this has worked pretty well as a sample of the war of nerves.

- Q. Don't you suppose, sir, it might be all right to put your observations regarding Mr. Mussolini's wardrobe on the record?

THE PRESIDENT: (*laughing*) No. No. . . .

- Q. Mr. President, is Bill Donovan's work [Chief of the O.S.S.] still a secret?

THE PRESIDENT: Oh my, yes. Heavens, he operates all over the world. (*Laughter*)

NOTE: For further discussion of 117, 118, 123, 124, 126 and notes, the North African operation and this volume. its aftermath, see Items 115, 116,

120 ¶ The President Greets the Jewish Theological Seminary on Its Fifty-fifth Anniversary.

November 11, 1942

*Dear Dr. Finkelstein:*

THE fifty-fifth anniversary of the Jewish Theological Seminary of America is an occasion for congratulation not only to the members of your faculty, board of directors, alumni, and others associated with the institution, but the community. Of special importance today is the emphasis which your teachers and graduates place on the intimate relationship between religious traditions deriving from the prophets of Scripture and the democratic ideals for which we are struggling in the present world conflict.

If the world to emerge from the war after a victory of the United Nations is to be a world of enduring peace and of freedom, that peace and that freedom must be founded on renewed loyalty to the spiritual values inherent in the great religious traditions which have saved mankind from degradation in the past and which offer the greatest promise for civilization in the future.

The enemies of mankind who are arrayed in battle against us realized this, and therefore began their effort to subdue the world with an assault on religious institutions. It has become an attack upon all monotheistic religions and the principles which they have taught mankind — the dignity and worth of human personality, the value of reason and truth, the blessedness of mercy and justice.

The seminary has made impressive efforts to study the problems of relationships among men of different faiths. Never has it been more important for the lovers of freedom to work harmoniously together in mutual understanding.

The Institute for Religious Studies, established at the seminary and conducted in cooperation with Catholic, Jewish, and Protestant scholars, is an important symbol of national solidarity.

### *121. Armistice Day Address*

It will in time, I trust, become an increasingly powerful instrument for enlightening men of all faiths regarding the basic values of each other's doctrine and practice and their common responsibility for the development of democratic civilization.

In the difficult days before us all, I hope that the seminary and those within the wide circle of its influence will continue to carry on their work for our country and for religious faith.

Very sincerely yours,

Rabbi Louis Finkelstein,  
President,  
Jewish Theological Seminary of America,  
New York, N. Y.

### **121 ¶ “The Forces of Liberation Are Advancing” — Armistice Day Address.**

November 11, 1942

HERE in Arlington we are in the presence of the honored dead.

We are accountable to them — and accountable to the generations yet unborn for whom they gave their lives.

Today, as on all Armistice Days since 1918, our thoughts go back to the first World War; and we remember with gratitude the bravery of the men who fought and helped to win that fight against German militarism.

But this year our thoughts are also very much of the living present, and of the future which we begin to see opening before us — a picture illumined by a new light of hope.

Today, Americans and their British brothers-in-arms are again fighting on French soil. They are again fighting against a German militarism which transcends a hundred-fold the brutality and the barbarism of 1918.

The Nazis of today — and their appropriate associates, the Japanese — have attempted to drive history into reverse, to use

## *121. Armistice Day Address*

all the mechanics of modern civilization to drive humanity back to conditions of prehistoric savagery.

They sought to conquer the world, and for a time they seemed to be successful in realizing their boundless ambition. They overran great territories. They enslaved — they killed.

But, today, we know and they know that they have conquered nothing. Today, they face inevitable, final defeat.

Yes, the forces of liberation are advancing.

Britain, Russia, China, and the United States grow rapidly to full strength. The opponents of decency and justice have passed their peak.

And — as the result of recent events — very recent — the United States' and the United Nations' forces are being joined by large numbers of the fighting men of our traditional ally, France. On this day, of all days, it is heartening for us to know that soldiers of France go forward with the United Nations.

The American Unknown Soldier who lies here did not give his life on the fields of France merely to defend his American home for the moment that was passing. He gave it that his family, his neighbors, and all his fellow Americans might live in peace in the days to come. His hope was not fulfilled.

American soldiers are giving their lives today in all the continents and on all the seas in order that the dream of the Unknown Soldier may at last come true. All the heroism, all the unconquerable devotion that free men and women are showing in this war shall make certain the survival and the advancement of civilization. That is why on this day of remembrance we do not cease from our work. We are going about our tasks in behalf of our fighting men everywhere. Our thoughts turn in gratitude to those who have saved our Nation in days gone by.

We stand in the presence of the honored dead.

We stand accountable to them, and to the generations yet unborn for whom they gave their lives.

God, the Father of all living, watches over these hallowed graves and blesses the souls of those who rest here. May He keep

## *122. Planning Toward G.I. Bill of Rights*

us strong in the courage that will win the war, and may He impart to us the wisdom and the vision that we shall need for true victory in the peace which is to come.

## **122 ¶ The President Begins the Planning Looking Toward the G. I. Bill of Rights. Statement on Signing the Bill Reducing the Draft Age.**

**November 13, 1942**

THE time has now come when the successful prosecution of the war requires that we call to the colors the men of eighteen and nineteen. Many have already volunteered. Others have been eagerly awaiting the call. All are ready and anxious to serve. The civilian careers of these men will be interrupted, as have the careers of most of their seniors. Large numbers about to enter the armed services will come from schools and colleges. The vocational and technical training which the armed services now offer to many will stand them in good stead.

I am causing a study to be made by a committee of educators, under the auspices of the War and Navy Departments, for the taking of steps to enable the young men whose education has been interrupted to resume their schooling and afford equal opportunity for the training and education of other young men of ability after their service in the armed forces has come to an end. Some useful action along this line was improvised at the end of the last war. This time we are planning in advance.

Finally we are announcing in the near future a plan providing for the utilization during the war of the facilities of certain colleges and universities for the training of a limited number of men of the armed forces for highly specialized duties. These men will be selected solely on the basis of their ability and without regard to whether or not they are now in college or whether they could otherwise afford to go to college.

## *121. Message to Congress on Food Program*

course, always will have first call on all articles of food. These service men naturally consume much more food in the Army and Navy — and they are getting better food on the average — than they did in civilian life.

The third great demand was for our lend-lease shipments of food to our allies.

There has been a lot of loose talk about impending "meat famine" and "meat shortages" for the coming winter.

During the October-March period, this winter's estimated total meat production, excluding poultry, will amount to 14.4 billion pounds, dressed weight, as compared with 12.5 billion pounds during the same period last year, and 11.4 billion pounds two years ago. As a matter of fact, this winter's estimated meat production will be by far the largest on record.

Estimated poultry production during the October-March period this winter will amount to 2.3 billion pounds, as compared with 1.9 billion pounds last winter and 1.7 billion pounds two years ago. The production of poultry has increased about 60 percent since 1939.

During the next six months we will also produce an estimated 2.2 billion dozens of eggs, as compared with 2.1 billion dozens a year ago and 1.8 billion dozens two years ago. Egg production has increased about 40 percent since 1939.

Also, even though our animal numbers will be at an all-time high this winter, the 1943-44 total supply of feed grains will, except for last year, be the largest supply on record and approximately 20 percent above the 1937-41 average. On a per-animal basis, the feed supply will not be as large as in the last several years, but it will be about equal to the average of the ten years ending in 1932.

From the standpoint both of increased production and of price control, the food effort in this war is a far greater success than that of the first World War. Facts bear out this statement, but I suppose that facts are not going to deter those who want to create dissatisfaction or those who spread scares such as "food shortage" and "meat famine."

*124. Congratulations to General Eisenhower*

Now that the insatiable Axis desire culminates in an effort to seize French North Africa, I know that you will stoutly resist by every means at your disposal this latest manifestation of German and Italian cupidity and baseness.

Be assured that the powerful American forces, equipped with the deadliest instruments of modern warfare, which I am dispatching will support you to the limit of their great resources to the end that the Axis may be driven from North Africa and the liberation of France and its Empire from despicable tyranny may begin. These American forces are determined like yourself that liberty and the dignity of man shall not perish from the earth. You know that those American forces have only one aim — which they will achieve — the destruction of our common enemies and that includes the liberation of France.

Long live France! Long live the United States of America!  
Your friend,

*NOTE:* For an account of developments in the invasion of French North Africa, see Items 115, 116, 117, 118, 119, 124, and 126 and notes, this volume.

**124 ¶ The President Congratulates General Eisenhower on the Successful Landings in North Africa. November 14, 1942**

Both personally and on behalf of the American people I send sincere congratulations to you and every member of your command on the highly successful accomplishment of a most difficult task.

Our occupation of North Africa has caused a wave of reassurance throughout the Nation not only because of the skill and dash with which the first phase of an extremely difficult operation has been executed, but even more because of the evident perfection of the cooperation between the British and American forces.

Give my personal thanks to Admiral [Sir Andrew Browne]

## *125. Anniversary of Philippines Commonwealth*

Cunningham and the other British leaders for their vital and skillful assistance without which the operation could not have been undertaken.

**NOTE:** The invasion of North Africa, which penetrated an 800-mile coast line with an initial force of 107,000 men, began early in the morning of November 8, 1942 (see Items 115, 116, 117 and 126 and notes, this volume, for an account of developments during the invasion). The landings were a complete surprise to the Germans, whose main forces of the Afrika Korps were then reeling back from the attacks of the British Eighth Army at El Alamein. Axis troops were sent into Tunisia by sea and by air following the North African landings, and there was an immediate race by the opposing forces to reach Tunis. American and British forces attained advanced positions in Tunis, but by the end of November sufficient Axis reinforcements had arrived to enable them to contain the Allied advance. The Axis troops had the advantage of all-weather airfields within their

territory as well as very short lines of supply and communication from Sicily to Tunisia. The advent of the rainy season made it difficult for fighter planes to support our own troops.

Strengthened by the arrival of the beaten elements of the Afrika Korps which had retreated from El Alamein, the Axis Army counter-attacked from Faid in mid-February, 1943, and broke through the Kasserine Pass. After a week on the offensive, the Axis had advanced 21 miles beyond Kasserine Pass through the lightly held portions of the long Allied line. This brief but threatening enemy success was wiped out and the original line was reestablished in Tunisia by March 22, 1943, after a strong attack by Allied ground forces supported by the air force.

(See Item 48 and note, 1943 volume, for an account of the final phases of the Battle of Tunisia.)

## 125 ¶ Radio Address on the Seventh Anniversary of the Philippines Commonwealth Government. November 15, 1942

THOUGH the alien flag of a treacherous aggressor flies temporarily over the Commonwealth of the Philippines, it is with supreme confidence in ultimate victory that the United Nations commemorate this birthday of its youngest member.

## *125. Anniversary of Philippines Commonwealth*

It was just seven years ago that this Commonwealth was established. By that time the United States had maintained sovereignty in the Philippine Islands for more than thirty years. But as I said in 1935 when the present Commonwealth was inaugurated, "The acceptance of sovereignty was but an obligation to serve the people of the Philippines until the day they might find themselves independent, and take their own place among the Nations of the world."

Let me go back to the days when Admiral Dewey won the battle of Manila Bay, and American sovereignty was established over the Islands. To a very large part of the American people, it seemed incongruous and unwise that the United States should continue permanently a colonial status over many millions of human beings who had already shown a desire for independence.

However, the United States and the leaders of the Philippine people soon undertook a long-time process of providing facilities in the Islands for education, health, commerce, and transportation, with the definite thought that the day would come when the people would be able to stand on their own feet. And at the same time, we granted them a greater and greater degree of local self-government.

By the year 1934 sympathetic conferences between Philippine and American leaders reached the conclusion that the time for complete independence could be definitely set, to follow a ten-year period of complete local autonomy under a Commonwealth form of government with its own Constitution.

This status was duly set up in 1935 under the Presidency of my old friend, Manuel Quezon. It succeeded so well that by December 7, 1941, we were jointly at work preparing for the consummation of complete independence in 1946. Both Nations and peoples had kept faith with each other during all these years. Confidence in each other's good faith was firmly established — and it was cemented into place during the bitter months of ordeal which followed the treachery of Japan.

The brave peoples of the Philippines — their Army and their civilians — stood shoulder to shoulder with the Americans in

their fight against overwhelming odds, resolute to shed their blood in defense of their liberty. Richly they deserved that liberty!

I like to think that the history of the Philippine Islands in the last 44 years provides in a very real sense a pattern for the future of other small Nations and peoples of the world. It is a pattern of what men of good will look forward to in the future — a pattern of a global civilization which recognizes no limitations of religion, or of creed, or of race.

But we must remember that such a pattern is based on two important factors. The first is that there be a period of preparation, through the dissemination of education, and the recognition and fulfillment of physical and social and economic needs. The second is that there be a period of training for ultimate independent sovereignty, through the practice of more and more self-government, beginning with local government and passing on through the various steps to complete statehood.

Even we in the United States did not arrive at full national independence until we had gone through the preliminary stages. The town meetings in the New England colonies, and the similar local organizations in other colonies, gradually led to county government and then to State government. That whole process of political training and development preceded the final formation of our permanent Federal Government in 1789.

Such training for independence is essential to the stability of independence in almost every part of the world. Some peoples need more intensive training and longer years; others require far less training and a shorter period of time.

The recent history of the Philippines has been one of national cooperation and adjustment and development. We are sure now, if ever we doubted, that our Government in the United States chose the right and the honorable course.

The pattern which was followed there is essentially a part and parcel of the philosophy and the ideals of the United Nations. The doctrine which controls the ambitions and directs the ruthlessness of our enemies — that there is one master folk destined

## 126. Eight Hundred and Sixty-first Press Conference

to rule all other peoples — is a doctrine now on its way to destruction for all time to come.

The United States and the Philippines are already engaged in examining the practical economic problems of the future — when President Quezon and his Government are reestablished in the Capital of Manila. He and I, in conference last week, have agreed to set up a Joint Commission of our two countries, to study the economic situation which will face the Nation which is soon to be, and to work out means of preserving its stability, and above all its security.

This typifies the highest form of good faith, which exists wholeheartedly between our two Governments.

It does more than that. It is a realistic symbol of our grim determination and of our supreme confidence that we shall drive the Japanese Army out of the Philippines — to the last man.

President Quezon — on this auspicious anniversary — I salute, through you, the people of the Philippine Islands. I salute their courage. I salute their independence.

**NOTE:** For additional presidential statements in reference to the Philippines and its independence, see Item 146, 1941 volume; Items 88, 110, and 116, and notes, 1943 volume; and Items 25, 46, and 133, 1944-1945 volume.

## 126 ¶ The Eight Hundred and Sixty-first Press Conference (Excerpts). November 17, 1942

(*Cancellation of draft deferments of Federal employees — Naval battle in the Solomons.*)

**THE PRESIDENT:** I think I have only got one thing here. It's a memorandum to all departments and agencies.

(Reading): "I am most anxious to make sure that no man should be deferred from military service by reason of his employment in any Federal department or agency, either in Washington or in any other place.

"If any such deferment has been given to anyone within your re-

*126. Eight Hundred and Sixty-first Press Conference*

spective jurisdiction, would you please arrange for cancellation thereof as soon as possible, and notify the Selective Service Board having jurisdiction. No further requests for deferment by reason of such employment should be made, either by the agency or by the employee.

"I am sure that in the overwhelming number of cases this action will be welcomed by the young men themselves who are involved.

"I know that in certain technical or highly scientific or specialized branches of the service, there are a few employees who by reason of unique experience are really irreplaceable by women or older men. If there are any which in your opinion fall within this category, please write to me the full details of them, so that their cases may be passed on individually."

In other words, no blanket exemptions, which I think goes for all the departments. . . .

*Q.* Mr. President, have you any figures as to the number of people who will be affected by this?

*THE PRESIDENT:* No. I guess it will be quite a lot. . . .

*Q.* Does this include civilian employees of the War and Navy Departments?

*THE PRESIDENT:* Oh, yes. Oh my, yes.

*Q.* What about the young officers that are still around here?

*THE PRESIDENT:* I think most of them have gone too, haven't they? Well, I got a report on them about a month ago, and directed that they be moved to happier climes, and I am sure that they would be. You say they haven't, but I will check up on it again.

*Q.* Does it include W.P.B. men?

*THE PRESIDENT:* Absolutely. There is no discrimination in favor of brains. (*Laughter*) . . .

*Q.* Is there anything you would care to say, Mr. President, about the U. S. Pacific Fleet's defeat of the Japanese Navy in the Solomons?

*THE PRESIDENT:* No, except, of course, you can imagine I was very much upset hearing about the death of poor Dan Callaghan [Rear Admiral Daniel J. Callaghan, onetime Naval Aide to the President], who certainly did a glorious act taking

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a ten-thousand-ton cruiser up against a twenty-five- or thirty-thousand-ton battleship at point-blank range.

The primary objective of the Southwest Pacific operations is to hold the present line, which runs roughly through New Guinea and Guadalcanal. And that is why I said it wasn't a decisive engagement, for the reason that if we had to fall back to the next line, we could stop them there; but I hope we can hold the present line. Now this action has stopped the latest Japanese offensive against that line. The last we know is what appeared in the papers, that Japan's ships, when last seen, were proceeding in the opposite direction. Therefore, it can be called a major victory. . . .

*Q.* Mr. President, is any effort being made to change or modify the anti-Jewish laws and regulations now in effect in North Africa?

**THE PRESIDENT:** Yes. That is included in this statement which I have for you. [See Item 126-A for text of the President's statement on political arrangements in North and West Africa.] (*After reading*) I am afraid I am cutting a lot of good stuff from under the feet of people who don't think things through. It's all words of one syllable stuff — but it's powerful.

Now this is in reply to your question:

(*Continuing reading*): "I have requested the liberation of all persons in North Africa who have been imprisoned because they opposed the efforts of the Nazis to dominate the world; and I have asked for the abrogation of all laws and decrees inspired by Nazi Governments or Nazi ideologists. Reports indicate the French of North Africa are subordinating all political questions to the formation of a common front against the common enemy."

*Q.E.D! (Laughter)*

*Q.* Mr. President, is there anything to be said at this time about the position of General de Gaulle?

**THE PRESIDENT:** No. No. I wouldn't worry about it. It's all right.

*Q.* Mr. President, can you tell us what bearing this has on the application of Vichy diplomatic representatives in the United States to become accredited to Darlan?

## 126-A. Political Arrangements in North and West Africa

THE PRESIDENT: Never heard of it. Are they still here?

Q. I understand so.

THE PRESIDENT: I thought of putting in there, but I didn't, an old Balkan proverb, which I cannot have even attributed to me, because at the present time I don't like to call names any more than I have to. It's rather a nice old proverb of the Balkans that has, as I understand it, the full sanction of the Orthodox Church.

This is off the record — *complètement* — (*Laughter*) look it up in an encyclopedia of Balkan proverbs if you want to — it runs something like this. Mind you, this is okayed by the Church.

It says, "My children, you are permitted in time of great danger to walk with the Devil until you have crossed the bridge." (*Laughter*)

Rather nice!

## 126-A ¶ Statement on the Temporary Political Arrangements in North and West Africa.

November 17, 1942

I HAVE accepted General Eisenhower's political arrangements made for the time being in North Africa and Western Africa.

I thoroughly understand and approve the feeling in the United States and Great Britain, and among all the other United Nations, that in view of the history of the past two years no permanent arrangement should be made with Admiral Darlan. People in the United Nations likewise would never understand the recognition of a reconstituting of the Vichy Government in France, or in any French territory.

We are opposed to Frenchmen who support Hitler and the Axis. No one in our Army has any authority to discuss the future government of France or the French Empire.

The future French Government will be established not by any individual in metropolitan France or overseas, but by the French

people themselves, after they have been set free by the victory of the United Nations.

The present temporary arrangement in North and West Africa is only a temporary expedient, justified solely by the stress of battle.

The present temporary arrangement has accomplished two military objectives. The first was to save American and British lives on the one hand, and French lives on the other.

The second was the vital factor of time. The temporary arrangement has made it possible to avoid a mopping up period in Algiers and Morocco, which might have taken a month or two to consummate. Such a period would have delayed the concentration for the attack from the West on Tunis, and we hope on Tripoli.

Every day of delay in the current operations would have enabled the Germans and Italians to build up a strong resistance, to dig in, and make a huge operation on our part essential before we could win. Here again many more lives will be saved under the present speedy offensive than if we had to delay it for a month or more.

It will also be noted that French troops under the command of General Giraud have already been in action against the enemy in Tunisia, fighting by the side of American and British soldiers for the liberation of their country.

Admiral Darlan's proclamation assisted in making a mopping up period unnecessary. Temporary arrangements made with Admiral Darlan apply without exception to the current local situation only.

I have requested the liberation of all persons in North Africa who have been imprisoned because they opposed the efforts of the Nazis to dominate the world; and I have asked for the abrogation of all laws and decrees inspired by Nazi Governments or Nazi ideologists. Reports indicate the French of North Africa are subordinating all political questions to the formation of a common front against the common enemy.

**NOTE:** The political and diplomatic arrangements in North Africa at times presented problems which were more difficult even than the military problems. For months prior to the invasion, valuable groundwork had been laid by the work of State Department consular officials, special agents, representatives of the Office of Strategic Services, and other individuals in North Africa. We were informed, through these sources, of the French military and naval strength in the area, the attitudes of the civilian population, and the names of those who would actively aid the Allied cause. Unfortunately, some of the French leaders in Africa erroneously indicated that resistance to an Allied invasion would be negligible if only General Henri Giraud were brought in from France to the invaded area. Much of the Allied military and diplomatic planning rested on this false assumption.

Actually, many of the military and political officials in North Africa possessed a deep sense of loyalty to Marshal Pétain, despite his yielding to the Nazis. Under these circumstances, it would have been impossible to appoint General Charles de Gaulle and his Fighting French group to take control in North Africa. Any such attempt to force General de Gaulle and his group on the North African French forces would have meant civil war, long delay in the Allied military plans, and additional danger of civilian uprisings. To a lesser

degree, the same proved to be the case with General Henri Giraud, who contrary to Allied calculations was received coldly by the French leaders.

By sheer coincidence, Admiral Jean François Darlan, the Vichy Commander in Chief of all French forces, was in Algiers at the time of the Allied invasion. He merely happened to be on the scene at the time visiting at the bedside of his sick son (who subsequently was flown to Warm Springs, Georgia, to receive treatment for infantile paralysis). The French forces regarded Darlan as their legal commander, the personal representative of Marshal Pétain from whom they could take orders. After he had discovered the attitude of the French forces, General Giraud conceded also that only through Darlan could the French in Africa be induced to cease firing. The temporary arrangements which were made with Admiral Darlan were solely for the purpose of saving American and French lives, and to expedite the push toward our military objectives.

The President naturally took a direct interest in these diplomatic negotiations. When the news reached America that a "deal" had been made with Darlan, it was understandable that there should arise a storm of criticism from the liberal sources who were ordinarily the most vehement supporters of the President's social objectives. Therefore, General Eisenhower was

## 126-A. Political Arrangements in North and West Africa

asked for additional details of the arrangements made with Darlan. The President was convinced that General Eisenhower had acted correctly in view of the unanticipated situation confronted in Africa, and he cabled the General that he would back him to the hilt. The President pointed out, as indicated below in the text of his message to General Eisenhower (see Sherwood, *Roosevelt and Hopkins*, p. 654), that despite the temporary arrangement with Darlan, the latter was a Hitler collaborator who could not be trusted and had to be watched carefully:

"Marshall has shown me your despatch giving your reasons for placing Darlan in charge of the civil administration of North Africa. I want you to know that I appreciate fully the difficulties of your military situation. I am therefore not disposed to in any way question the action you have taken. Indeed you may be sure of my complete support of this and any other action you are required to take in carrying out your duties. You are on the ground and we here intend to support you fully in your difficult problems.

"However, I think you should know and have in mind the following policies of this Government:

- "1. That we do not trust Darlan.
- "2. That it is impossible to keep a collaborator of Hitler and one whom we believe to be a fascist in civil power any longer than is absolutely necessary.
- "3. His movements should be watched carefully and his communications supervised."

As the immediate aims of the temporary arrangement with Dar-

lan became achieved, it appeared during December, 1942, that some form of French unified government involving both de Gaulle and Giraud might be realized. In fact, de Gaulle had planned to depart for Washington on December 25, 1942, in order to discuss such proposals with the President. On December 24, however, came the shock of Admiral Darlan's assassination, with the apparent implication of some of de Gaulle's supporters, and the President canceled de Gaulle's visit. At the Casablanca Conference, the President met with both de Gaulle and Giraud (see Items 6, 7, and 10 and notes, 1943 volume), but no conclusive basis for unity and friendship resulted.

When news reached the President of the assassination of Admiral Darlan on December 24, the President released the following statement:

"The cowardly assassination of Admiral Darlan is murder in the first degree. All leaders of all United Nations will agree with that statement. Nazism and fascism and military despotism hold otherwise. I hope that speedy justice will overtake the murderer or murderers of Admiral Darlan."

Shortly after the President's statement, the youth who murdered Admiral Darlan was caught, court-martialed, and executed.

(For additional developments in the North African campaign, see Items 115, 116, 117, 118, 119, 123, and 124, and notes, this volume; and Item 48 and note, 1943 volume.)

127 ¶ The President Addresses the *New York Herald-Tribune* Forum. November 17, 1942

I HAVE always welcomed the opportunity to participate in the *Herald-Tribune* Forum, because I have always been interested in the public presentation of all kinds of national problems.

In time of peace every variety of problem and issue is an interesting subject for public discussion.

But in time of war the American people know that the one all-important job before them is fighting and working to win. Therefore, of necessity, while long-range social and economic problems are by no means forgotten, they are a little like books which for the moment we have laid aside in order that we might get out the old atlas to learn the geography of the battle areas.

In time of war your Government cannot always give spot news to the people. Nearly everybody understands that — and the reasons for it.

This means that those relatively few people who do have the facts from all over the world, not only every day but every hour of every day, are somewhat precluded from discussing these facts publicly, except in the most general of terms. If they did they would almost inevitably say things that would help the people who are trying to destroy us.

In reverse, those who are not in possession of all the news must almost inevitably speak from guesswork based on information of doubtful accuracy. They do not know the facts and, therefore, the value of their statements becomes greatly reduced. Nor must we, in the actual progress of the war, lend ears to the clamor of politics or to criticism from those who, as we know in our hearts, are actuated by political motives.

The fact that this type of criticism has done less harm in the United States than might be expected has been due to the good old horse sense of the American people. I know from a somewhat long experience — in wartime as well as peacetime — that the overwhelming majority of our people know how to discriminate

in their reading and in their radio-listening between informed discussion and verbal thrusts in the dark.

I think you will realize that I have made a constant effort as Commander in Chief to keep politics out of the fighting of this war.

But I must confess that my foot slipped once. About ten days before the last election day, one of our aircraft carriers was torpedoed in the Southwest Pacific. She did not sink at once, but it became clear that she could not make port. She was, therefore, destroyed by our own forces. We in Washington did not know whether the enemy was aware of her sinking—for there were no Japanese ships near enough to see her go down. You will realize, of course, that the actual knowledge of the loss of enemy ships has a definite bearing on continuing naval operations for some time after the event. We, for instance, know that we have sunk a number of Japanese aircraft carriers and we know that we have bombed or torpedoed others. We would give a king's ransom to know whether the latter were sunk or were saved, repaired, and put back into commission.

However, when we got news of the sinking of this particular ship, a great issue was being raised in the Congress and in the public vehicles of information as to the suppression of news from the fighting fronts. There was a division of opinion among responsible authorities.

Here came my mistake. I yielded to the clamor. I did so partly in realization of the certainty that if the news of the sinking were given out two or three weeks later it would be publicly charged that the news had been suppressed by me until after the election.

Then shortly thereafter protests came in from the Admirals in command in the Southwest Pacific and at our great base in Hawaii on the ground that, in all probability, the Japanese Navy had no information of the sinking and that handing them the information on a silver platter—although we were careful not to reveal the name of the carrier—still gave to the Japanese a military advantage which they would otherwise not have had.

This confession of mine illustrates to the people of this country the fact that in time of war the conduct of that war, with the aim of victory, comes absolutely first. They know that not one of their inalienable rights is taken away through the failure to disclose to them, for a reasonable length of time, facts that Hitler and Mussolini and Tojo would give their eye teeth to learn. Facts therefore become paramount — facts that cannot be told to the public at the time, as well as facts that can and should be told at all times.

The posters that tell you “Loose Talk Costs Lives” do not exaggerate. Loose talk delays victory. Loose talk is the damp that gets into powder. We prefer to keep our powder dry.

We have a gigantic job to do — all of us, together. Our battle lines today stretch from Kiska to Murmansk, from Tunisia to Guadalcanal. These lines will grow longer, as our forces advance.

Yes, we have had an uphill fight, and it will continue to be uphill, all the way. There can be no coasting to victory.

During the past two weeks we have had a great deal of good news and it would seem that the turning point of this war has at last been reached. But this is no time for exultation. There is no time now for anything but fighting and working to win.

A few days ago, as our Army advanced through North Africa, on the other side of the world our Navy was fighting what was one of the greatest battles of our history.

A very powerful Japanese force was moving at night toward our positions in the Solomon Islands. The spearhead of the force that we sent to intercept the enemy was under the command of Rear Admiral Daniel J. Callaghan. He was aboard the leading ship, the cruiser *San Francisco*.

The *San Francisco* sailed right into the enemy fleet — right through the whole enemy fleet — her guns blazing. She engaged and hit three enemy vessels, sinking one of them. At point-blank range, she engaged an enemy battleship — heavily her superior in size and fire power. She silenced this battleship’s big guns and so disabled her that she could be sunk by torpedoes from our destroyers and aircraft.

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The *San Francisco* herself was hit many times. Admiral Callaghan, my close personal friend, and many of his gallant officers and men gave their lives in this battle. But the *San Francisco* was brought safely back to port by a Lieutenant Commander, and she will fight again for her country.

The Commander of the task force of which the *San Francisco* was a part has recommended that she be the first of our Navy's vessels to be decorated for outstanding service.

But there are no citations, no medals, which carry with them such high honor as that accorded to fighting men by the respect of their comrades-in-arms.

The Commanding General of the marines on Guadalcanal, General Vandegrift, yesterday sent a message to the Commander of the Fleet, Admiral Halsey, saying, "We lift our battered helmets in admiration for those who fought magnificently against overwhelming odds and drove the enemy back to crushing defeat."

Let us thank God for such men as these. May our Nation continue to be worthy of them, throughout this war, and forever.

## 128 ¶ The Eight Hundred and Sixty-third Press Conference (Excerpts). November 24, 1942

(*War production organization and coordination — Discussions with President of Ecuador — Economic problems in Central and South America — Foreign rehabilitation — Good Neighbor Policy — Russian offensive.*)

Q. Mr. President, there have been some conflicting reports recently on wherein lies the final authority on our production program. I wonder if you could tell us whether Mr. Nelson, or the Army and Navy have the final say on production schedules, and the allocation of materials?

THE PRESIDENT: I guess the answer is that they work it out together. I will give you an example. I won't give you the

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figures but take the production of airplanes. Airplanes, as I suggested to you before, changed very greatly in character since last January. Each one now weighs a great deal more than its type did a year ago. Each one has more wing-spread than its type had a year ago. Each one has more horsepower than its type did a year ago. Each one takes a great many more man-hours to make than it did a year ago.

All right. You can say that on the basis of workmanship, we are going to spend more workmanship on planes in the calendar year '43, a great deal more than we are doing today, or than we have done in the average of this year. In other words, we will have a constantly increasing program in terms of workmanship.

Well now, you come down to certain totals. These totals are what we have raised our sights on, not on the total number of units, but on the total workmanship that goes into planes. And there you get a problem. This man, who is a production expert, says you can do so and so. Another man, who is a production expert, says you can't do as much as that; you can only do less. And then the problem comes to the Chiefs of Staff. What are you going to do with them when you get them? Have you got the men to man them? Do we have to man all that we make, or can we turn them over to somebody else that has more men than they need, for their own production?

Now all those things have to be worked out between the staff people and the actual production people. The question of shipping comes into it. We can fly today a great many more planes, and more types of planes under their own power, to the different theaters of war, than we could a year before. Well, that means that every month that goes by almost, the transportation of planes in ships is changed. I won't say it is simplified, because there are so many more that are coming out.

And then comes the question, when we get them to the theater of war in increasing quantities, can we at the same

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times get in the ships the spare engines, the spare parts, the gasoline to make them fly, the ground crews, and everything else for the theater of operations? It's a constant day-by-day problem of reconciling all of these factors and all of these opinions. And the reconciliation of the new factors and the latest opinions is going on every single day; and it is getting on extremely well.

Of course — now, this is not derogatory — suppose one of you fellows goes to one man who is concerned with, let us say, the training of a special ground crew, and he says that, by gosh, he doesn't think that they can get out enough ground crews. Then you go to somebody else who is a specialist on it, who disagrees personally with the other fellow. What do you do? You get those two stories. Now it's machinery that is working every day for the reconciliation of all these different points of view.

And therefore, from the point of view of truth then, about the only thing you can do is to see whether the stuff is actually coming out as well as it reasonably can be hoped. That means the material into the services of repair, spare parts, the flying personnel, and everything else. Well, on the whole, it is going along pretty well.

*Q.* Mr. President, almost every day we read that you plan to put one man over all these activities. Would you be able to reconcile the differences of these individuals better that way, or not?

**THE PRESIDENT:** No. You know what it is. I can take two blueprints of exactly the same kind of organization, and those two blueprints won't look like each other at all.

*Q.* Well, sir, specifically, is there anything in the works on giving one man over-all power?

**THE PRESIDENT:** No. It's just like sitting down and drawing — what do they call it when a fellow sits and draws a figure —

*Q. (interjecting) Doodling?*

**THE PRESIDENT:** Doodles, that's it. Now they are just engaging in

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doodles. Ninety percent of the time they will draw new pictures; and "doodle" is a very good word for it.

- Q.* Mr. President, in relation to this reported conflict over production and scheduling, has your attention been called to this question of an aircraft committee headed by Charles E. Wilson, which Mr. Nelson announced he had appointed, and which the Army and Navy have declined to countersign?

**THE PRESIDENT:** Not in that form. Mr. Wilson is going to have general charge of production. Well, just for example, on the production of planes there are half a dozen out of a hundred places where in individual plants, or individual parts of an airplane, the thing is not clicking — half a dozen out of a hundred. Now they have got to be eliminated.

Put it in another practical way: A plane is finished by — oh, what? — the Douglas people. The minute it's ready at the Douglas plant, the navigational instruments ought to be ready for it. Well, there are all kinds of navigational instruments. It may be one type of plane where somebody hasn't kept up to his time schedule, and there it will sit, maybe for a month before the special gadget that is to go into that special type of airplane is ready for it. Now that's another job which Mr. Wilson is to coordinate and work out kinks of that kind, on timing.

- Q.* Mr. President, the — that timing situation, I believe, develops as a matter of scheduling, to a large extent. Of course the schedule was changed all the time. And I think the issue now is who shall have the final authority as to say whether a thing will be settled this way or that way, the Army or Mr. Wilson, who is supposed to be acting for Mr. Nelson in production?

**THE PRESIDENT:** Well, that is one of those theoretical things, and none of you is an expert on scheduling, any more than I am. I suppose it's a little bit like doodling. It depends who has the pencil and the piece of paper.

- Q.* That's the question. Does Mr. Wilson have the pencil?

**THE PRESIDENT:** No. I would say they all do mutually, and they

are supposed to agree. And if they don't agree, then I'll put them in a room and I'll say, "No food until you come out in agreement." (*Laughter*)

It's a practical thing. It isn't a thing to write a story about. None of us knows. Not one of us here in this room knows how to do a thing like that the best way, because there are half a dozen ways. You people who were with me on the trip know that we went through four different aviation plants; and all four of those plants had different methods of putting an airplane together. Well, there had been an awful lot of "touting" of one particular method. From the layman's point of view it sounds awfully attractive: Start something on a belt, and as the belt moves on, the plane takes form like a little old Ford car. Well, it sounds awfully attractive to all of us, but you take these engineers; they are specialists. They think, some of them, that Mr. A's way isn't as good as Mr. B's way, which is not the continuous belt but is some other kind of belt that goes by fits and starts. And another fellow says no; you ought to do only half the operations by belt. And still another fellow says the belt method is silly; start your automobile on a place on the floor, and finish it right there. Now who is there among you, or myself, that knows which is the best?

The point is in actual production they are all working—these different methods. Some are working better than others. It doesn't mean that it is the fault of their method. It may be the fault of some other factor that enters into production. We are all children. You are all children. I am a child when it comes to engineering.

But on the whole it is going along pretty well. There are one or two plants that still have got bad kinks in them. . . .

**Q.** Mr. President, is there anything you can tell us about your discussion with President Carlos Alberto Arroyo Del Rio of Ecuador last night?

**THE PRESIDENT:** Well, we had an awfully interesting discussion, as

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I have had with a number of other heads of American Governments. We talked about two things.

The first, of course, was the immediate and present problem of the war, and the general solidarity of the 21 Nations, which is a very high percentage of solidarity.

And second, about the future, about trying to get an economy for the North and South Americas and Central America which will raise their standards — the standards and the wealth of the poorer Nations, and the smaller Nations, without hurting our economy or the economy of the larger or richer Nations as they exist at the present time.

I may have something to say, later on, in regard to that subject, on the part of certain elements of thinking in this country: that we are trying to debase our economy merely to build up other people's.

I can give you an illustration right here at home. Back in the old days, when I went South — the deep South — twenty years ago — the whole standard of earnings was so low that those people down there couldn't buy anything at the store. And a great many northern and southern people failed to realize that if their purchasing power down there in the South was higher, increased relatively faster, let us say, than the northern manufacturing districts, those people down there would acquire purchasing power for the purchase of things that were made in the North, and therefore would put a whole lot of people to work in the North, and thereby increase the purchasing power of the North too.

Well, it sounds awfully simple the way I say it, but nobody ever acted on it until we began to act — this is not political, it's merely historical — it did happen after 1933; the purchasing power of the South began to go up by leaps and bounds.

In rural Georgia, for example, back there, there was hardly a local store that was solvent, quite aside from the banks. They didn't turn their stock over. There were no buyers on

Saturday afternoons in the country districts in the South, and there the stock remained.

Well, I don't know, maybe one or two are still here that accompanied me down to Georgia in those days. But if you remember the local stores down there, if you went in to buy a hat, you would find it was an eight-year-old vintage; there was no turnover. That meant that the fellow was losing so much interest on the money he had borrowed to buy his stock with, and each year he was going deeper into the red.

Now since then, in the whole of the agricultural South, they have had a greater turnover, because they have had more buying power. Now it certainly hasn't hurt the North. It has given the North, and the manufacturing districts, the opportunity to make things and sell in the South that they had never done before; just for example, before this war.

Now the same thing can be worked out in those Nations — we are working at it — which today have practically no purchasing power. It is going to help them enormously, but it is going to help us too. It's a perfectly obvious thing; and yet there are a lot of people in this country who can't see the value of putting other people on their feet.

Now you will begin to find in the United States quite a group of people that will say, in regard to the recent appointment of Governor Lehman as Director of Foreign Relief and Rehabilitation Operations, "Is the United States going to shell out our food and our clothing? Are we going to spend our good money to rehabilitate other Nations? What's the big idea?" Now you will find that an increasing — from now on — slogan. It will be put out all over the United States.

*Q. Are we going to, Mr. President?*

**THE PRESIDENT:** What? Sure, we are going to rehabilitate them.

Why? All right. Not only from the humanitarian point of view — you needn't stress that unless you want to — there's something in it — but from the point of view of our own pocketbooks, and our own safety from future war. . . .

*Q. Mr. President, would you tell us a little bit about what you*

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said about Ecuador last night, and your remarks at the dinner?

THE PRESIDENT: I was talking about the general thought that — irrespective of politics or party — that what we sneer at, some of us, as a Good Neighbor Policy is becoming ingrained in all of the Americas. The people are beginning to believe that if we continue through another ten years or twenty years to maintain it as a continental policy, that it will work. And I mentioned the illustration that they have got the idea, the democratic form of government — democracy — all through there.

What happened at the end of 1936, when I went down to Rio de Janeiro, and Buenos Aires, and Montevideo? Great crowds were in the streets, and the crowds were yelling; but I was interested in what they were saying. There were some of them saying, "*Viva Roosevelt.*" But the great bulk of them were saying, "*Viva la Democracia.*" Now that meant something. They were talking about democracy as they saw it. And it's something that was worth living for and worth fighting for.

And I don't think there is much question that the policy is part of the national policy here, regardless of what the political complexion of the Administration is here. Same way down there. In all the other Republics, whoever the President the next time, whoever is the Government in different places, they will go along with the idea of "*democracia,*" and the thought of the Good Neighbor.

Q. Mr. President, is there any comment you would care to make, sir, on the current Russian offensive?

THE PRESIDENT: Well, I think all I can say is that I got an intimation of it several days ago, and that I am delighted that it is going so well. You can say *dee-lighted*, if you want to. (*Laughter*)

NOTE: See Item 9 and note, this volume, for an account of the work of the War Production Board.

For further discussion of the problem of the relief and rehabilitation of liberated areas, and an ac-

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count of the work of the United Nations Relief and Rehabilitation Administration, see Items 123, 125, and notes, 1943 volume; and Items 3, 119, 126, and 136, 1944-1945 volume.

For accounts of the President's South American trip at the end of 1936, see Items 222, 223, 224, 225, 226, and 227, and notes, pp. 597-617, 1936 volume.

## **129 ¶ The President Addresses a Letter to the Rubber Director and the Price Administrator Urging Prompt Establishment of the Rubber Conservation Program. November 26, 1942**

FOLLOWING submission of the Baruch rubber report to me in September, I asked that mileage rationing be extended throughout the Nation. Certain printing and transportation problems made it necessary to delay the program until December first.

With every day that passes, our need for this rubber conservation measure grows more acute. It is the Army's need and the Navy's need. They must have rubber. We, as civilians, must conserve our tires.

The Baruch Committee said: "We find the existing situation to be so dangerous that unless corrective measures are taken immediately this country will face both a military and civilian collapse. . . . In rubber we are a *have-not* Nation."

Since then the situation has become more acute, not less. Since then our military requirements for rubber have become greater, not smaller. Since then many tons of precious rubber have been lost through driving not essential to the war effort. We must keep every pound we can on our wheels to maintain our wartime transportation system.

We must do everything within our power to see that the program starts December first because victory must not be delayed through failure to support our fighting forces.

**NOTE:** See Item 79 and note, this volume, for the Baruch Report on Rubber. For other references to the rubber problem, see Items 34, 63, 66, 75, 78, and 94, and notes, this volume.

130 ¶ The President Reads a Thanksgiving Day Proclamation in Services Broadcast to the Nation.

Proclamation No. 2571. November 26, 1942

It is a good thing to give thanks unto the Lord." Across the uncertain ways of space and time our hearts echo those words, for the days are with us again when, at the gathering of the harvest, we solemnly express our dependence upon Almighty God.

The final months of this year, now almost spent, find our Republic and the Nations joined with it waging a battle on many fronts for the preservation of liberty.

In giving thanks for the greatest harvest in the history of our Nation, we who plant and reap can well resolve that in the year to come we will do all in our power to pass that milestone; for by our labors in the fields we can share some part of the sacrifice with our brothers and sons who wear the uniform of the United States.

It is fitting that we recall now the reverent words of George Washington, "Almighty God, we make our earnest prayer that Thou wilt keep the United States in Thy holy Protection," and that every American in his own way lift his voice to heaven.

I recommend that all of us bear in mind this great Psalm:

"The Lord is my shepherd; I shall not want.

"He maketh me to lie down in green pastures: he leadeth me beside the still waters.

"He restoreth my soul; he leadeth me in the paths of righteousness for his name's sake.

"Yea, though I walk through the valley of the shadow of death, I will fear no evil: for thou art with me; thy rod and thy staff they comfort me.

"Thou preparest a table before me in the presence of mine enemies: thou anointest my head with oil; my cup runneth over.

"Surely goodness and mercy shall follow me all the days of my life: and I will dwell in the house of the Lord for ever."

Inspired with faith and courage by these words, let us turn again to the work that confronts us in this time of national emergency: in the armed services and the merchant marine; in

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factories and offices; on farms and in the mines; on highways, railways, and airways; in other places of public service to the Nation; and in our homes.

Now, THEREFORE, I, Franklin D. Roosevelt, President of the United States of America, do hereby invite the attention of the people to the joint resolution of Congress approved December 26, 1941, which designates the fourth Thursday in November of each year as Thanksgiving Day; and I request that both Thanksgiving Day, November 26, 1942, and New Year's Day, January 1, 1943, be observed in prayer, publicly and privately.

**131 ¶ Establishment of the Petroleum Administration for War. Executive Order No. 9276.**

**December 2, 1942**

BY VIRTUE of the authority vested in me by the Constitution and statutes, as President of the United States and Commander in Chief of the Army and Navy, and in order to coordinate and centralize the war policies and actions of the Government relating to petroleum with a view toward providing adequate supplies of petroleum for the successful prosecution of the war and for other essential purposes, it is hereby ordered as follows:

1. Whenever used in this Order:

a. The term "petroleum" means petroleum, petroleum products, and associated hydrocarbons, including but not limited to natural gas, except that natural gas which has entered into gas transmission lines from field gathering lines shall not be so included.

b. The term "petroleum industry" means the production, refining, treating, storage, shipment, receipt, or distribution within the United States, its territories and possessions, of petroleum, exclusive of: (1) the transportation of petroleum, (2) the transmission of natural gas from the point of its entry into gas

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transmission lines from field gathering lines, and (3) the distribution of natural gas.

c. The term "transportation" means transportation as defined in U. S. Code, Title 49, section 1 (3) (a), and in Executive Orders No. 8989 and No. 9156.

2. There is established a Petroleum Administration for War, at the head of which shall be a Petroleum Administrator who shall be directly responsible to the President. The Secretary of the Interior shall serve ex officio as Petroleum Administrator, hereinafter referred to as the Administrator.

3. The Administrator shall:

(a) Subject to the provisions of this Order, establish basic policies and formulate plans and programs to assure for the prosecution of the war the conservation and most effective development and utilization of petroleum in the United States and its territories and possessions, issue necessary policy and operating directives to parties engaged in the petroleum industry, and appoint such general, regional, local, or functional petroleum industry committees or councils as the Administrator finds necessary: *Provided*, that no directive issued hereunder shall conflict with any direction which may be issued by the Chairman of the War Production Board pursuant to paragraph 1 of Executive Order No. 9125 of April 7, 1942.

(b) Serve, as far as practicable, as the liaison and channel of communication between the units of the petroleum industry and the several departments and agencies of the Federal Government on matters directly involving the functions and duties of the Administrator.

(c) (1) Obtain from the Departments of War and the Navy, the Office of Lend-Lease Administration, the Department of State and the Board of Economic Warfare, the several divisions and branches of the War Production Board, and such other Federal departments and agencies as may be appropriate, estimates of the amounts of petroleum which will be required from the United States, its territories and possessions, to meet direct and indirect military, and

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essential industrial and civilian requirements; and compile and analyze such estimates and submit them to the War Production Board with recommendations for the allocation of petroleum to meet such requirements.

(2) Prepare and recommend to the War Production Board estimates of the quantities and kinds of material needed by the petroleum industry to produce, refine, store, distribute (excluding transportation), or otherwise make available the amount of petroleum recommended by the Administrator for allocation by the War Production Board.

(d) Subject to the direction of the Chairman of the War Production Board, exercise the powers, authority, and the discretion conferred upon the Chairman by paragraph 1 of Executive Order No. 9125 of April 7, 1942, by issuing, and taking appropriate action to enforce, such orders or directives to the petroleum industry as the Administrator may deem necessary, in order to:

(1) Provide adequate supplies of petroleum for military, or other essential uses; or

(2) Effect the proper distribution of such amounts of materials as the Chairman of the War Production Board may allot for the use of the petroleum industry.

(e) Compile data and make continuing surveys with respect to the effect of the prices charged for petroleum upon the efficient wartime operations of the petroleum industry and the maintenance of adequate supplies of petroleum for war and essential industrial and civilian uses. On the basis of such surveys, the Petroleum Administrator shall consult with and recommend to the Administrator, Office of Price Administration, such upward or downward adjustments in the schedule of prices charged for petroleum as will, in the judgment of the Petroleum Administrator, assure the efficient wartime operation of the petroleum industry and the maintenance of adequate supplies of petroleum for war, and essential industrial and civilian uses. In order to enable the Petroleum Adminis-

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trator to make appropriate recommendations, the Price Administrator shall advise with the Petroleum Administrator prior to the establishment or alteration by the Price Administrator of any schedule of prices to be charged for petroleum.

(f) Be advised of all plans or proposals which deal with the civilian rationing of petroleum and consult with rationing authorities in the development of such plans or proposals; and, in those instances where rationing is for the purpose of maintaining adequate supplies of petroleum for war and essential industrial and civilian requirements, determine, after advising with the War Production Board, the areas and the times within which such rationing should be effective and the amount of petroleum available for such purpose.

(g) Consult with the War Shipping Administration with respect to the assignment of tankers and the movement of petroleum, and, subject to the requirements of the Departments of War and the Navy, recommend allocations as between units of the petroleum industry of available tankers under the control of the War Shipping Administration.

(h) Designate the quantity and kind of petroleum to be shipped and received by those engaged in the petroleum industry, and certify such designations to the Office of Defense Transportation for appropriate action in providing the necessary transportation.

(i) Review all plans or proposals for the construction, extension, enlargement or interconnection of petroleum pipe lines; subject to the over-all responsibilities of the Office of Defense Transportation, approve such plans or proposals as are, in his judgment, necessary to provide adequate supplies of petroleum for war and other essential uses and recommend to the War Production Board programs covering the amounts and kinds of materials needed for such pipe lines. The Administrator shall direct the physical operation of petroleum pipe lines to the extent of prescribing the quantity and kind of petroleum to be transported by and the direction of flow through such pipe lines: *Provided*, that nothing herein shall be deemed to

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limit the functions and authority of the Office of Defense Transportation under Executive Order No. 8989 of December 18, 1941, with respect to the provision of necessary additional transportation facilities and equipment, or to coordinate and direct domestic traffic movements.

(j) Advise the several Federal departments and agencies concerned with the construction, enlargement, or additional interconnection of any natural gas transmission line as to the supply and availability of natural gas at the proposed sources of production whenever such construction, enlargement, or interconnection will result in substantially altering the rate of production at such sources.

(k) Perform the duties and responsibilities with relation to petroleum and the facilities used in the petroleum industry imposed by Executive Order No. 9165 of May 19, 1942, upon the Department of the Interior.

(l) Certify to the various State regulatory bodies having jurisdiction with respect to the production of petroleum, the amounts and kinds of petroleum which should be produced in their respective States, and collaborate with such State regulatory bodies in the coordination of their activities with the programs and policies of the Administrator.

(m) Keep the President informed with respect to the progress made in carrying out this Order and perform such related duties as the President may from time to time assign or delegate to him.

4. The Administrator shall collaborate with the appropriate Federal departments and agencies authorized to determine plans and policies with respect to foreign petroleum activities. The Administrator shall, in conformity with such plans and policies, issue directives concerning the physical operations of their foreign petroleum facilities to units of the American petroleum industry which directly or indirectly engage in such operations in foreign countries. The Administrator shall be the channel of communication on foreign petroleum matters between the Fed-

eral departments and agencies and such units of the American petroleum industry.

5. The Administrator shall perform the functions with respect to rubber conferred upon the Office of Petroleum Coordinator for War by Executive Order No. 9246 of September 17, 1942, subject to such directives as the Rubber Director may issue pursuant to such Order. Nothing in this Order shall apply to or in any way limit the functions and authority, or the manner of executing the same, of the Chairman of the War Production Board or the Rubber Director in the exercise of control over and administration of the Nation's rubber program pursuant to said Executive Order No. 9246, or the functions and authority of any department, establishment, or agency in the execution of such aspects of the rubber program in such manner and for such period of time as the Rubber Director may direct pursuant to said Executive Order.

6. Subject to such restrictions as may be imposed by the Departments of War and the Navy with respect to their own requirements, the several Federal departments and agencies shall supply such information and data as the Administrator may require in performing his functions and shall advise with the Administrator before undertaking any action which might affect the continuous, ready availability of petroleum for military and essential industrial and civilian needs. In order to assist him in carrying out the purposes of this Order, the Administrator may establish or designate committees or groups of advisers, representing two or more departments or agencies of the Federal Government, or States. The Administrator shall meet at regular and special intervals with representatives of the various Federal departments and agencies having continuing functions directly related to petroleum or the petroleum industry.

7. The Administrator may appoint, with the approval of the President, a Deputy Administrator, who shall report directly to the Administrator, and to whom he may delegate any and all power, authority, and discretion conferred upon him by this Order. The Deputy Administrator shall serve as Acting Admin-

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istrator in the absence of the Administrator. The Administrator, within the limits of such funds as may be allocated or appropriated for the purpose, may employ necessary personnel and make provision for necessary supplies, facilities, travel, and services.

8. The Office of the Petroleum Coordinator for National Defense, later changed to the Office of Petroleum Coordinator for War, established by the letter of the President dated May 28, 1941, is abolished, and its personnel, records, property, and funds are transferred to the Petroleum Administration for War, effective fifteen days from the date of this Order. All orders, directives, agreements, recommendations, and other documents issued or entered into under the functions, duties, and authorities of the Petroleum Coordinator for War shall remain in force as the responsibility of the Administrator until such time as he may revoke, alter, or otherwise change such documents under provisions of this Executive Order.

9. Nothing in this Order shall be deemed to limit in any way the authority of the Departments of War and Navy to initiate or carry out directly, without review or approval by the Administrator, any action relating to petroleum or the petroleum industry which either Department deems to be a matter of military necessity or expediency and which arises in such areas and is of such military urgency as to require special or secret disposition; or to limit in any way the functions and authority of the Secretary of State, under the direction of the President, in the formation of the foreign policy and the conduct of the foreign relations of this Government; or to limit in any way the statutory powers of the Interstate Commerce Commission with respect to rates, charges, statistics, accounts, car service (including emergency service powers), or operating authority; or to limit in any way the exercise of the authority of the Federal Power Commission or the performance of its functions and authority under the Natural Gas Act (52 Stat. 821) as amended; or to limit the functions and authority of the Board of Economic Warfare under the Act of June 30, 1942 (56 Stat. 463); or to limit in any way the powers of the Price Administrator under

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the Emergency Price Control Act (56 Stat. 23) and as amended by Public Law 729, 77th Congress, Second Session.

10. Any provisions of pertinent Executive Orders in conflict with the provisions of this Order are hereby superseded: *Provided*, that nothing herein shall be deemed in any way to limit the functions and authority of the Chairman of the War Production Board under Executive Orders No. 9024 of January 16, 1942, No. 9040 of January 24, 1942, No. 9125 of April 7, 1942, and No. 9246 of September 17, 1942; or to limit in any way the functions and authority of the Federal Power Commission under Executive Order No. 8202 of July 13, 1939; or to limit in any way the functions, duties, or authority of the War Shipping Administration with respect to the operation, control, purchase, requisition, charter, repair, use, or insurance of any vessel or cargo; or to limit the functions and authority of the Board of Economic Warfare under Executive Orders No. 8839 of July 30, 1941, as amended, No. 8900 of September 15, 1941, No. 8926 of October 28, 1941, No. 8942 of November 19, 1941, and No. 9128 of April 13, 1942; or to limit the functions and authority of the Office of Lend-Lease Administration under Executive Order No. 8926 of October 28, 1941.

**NOTE:** By a letter of May 28, 1941, the President had designated Secretary of the Interior Harold L. Ickes as Petroleum Coordinator for National Defense (renamed Office of Petroleum Coordinator for War after Pearl Harbor). (See Item 47 and note, 1941 volume, for an account of the establishment and functions of the Office of Petroleum Coordinator for Defense and the Office of Petroleum Coordinator for War.)

Originally, the powers of the Petroleum Coordinator for National Defense were limited; he could only advise and make recom-

mendations to the appropriate departments and agencies concerned with the problems with which he was dealing. The foregoing Executive Order, however, increased his powers by empowering the Petroleum Administrator for War to establish the necessary policies and programs to secure the most effective use of petroleum during wartime.

The Petroleum Administration for War had a remarkable record in obtaining wholehearted cooperation from the petroleum industry with which it dealt. A Petroleum Industry War Council, comprised

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of 78 representative leaders of all branches of the American oil industry, was established to consult with the Petroleum Administration for War in the development of its policies and programs. The Administration took particular pains to assure that the members of the Council represented a fair cross section of the industry—as to both size and geographical location of the companies. The Petroleum Industry War Council took a particularly active part in planning increased use of tank cars and construction of new pipe lines.

Oil transportation was a critical factor throughout the war. The Petroleum Administration for War did much to relieve this transportation shortage by stimulating increased use of tank cars and pipe lines. Between February and May, 1942, fifty tankers were sunk off the Atlantic coast by enemy action, necessitating drastic measures to substitute other forms of transportation.

Other measures stimulated by the Petroleum Administration for War were the specific scheduling of the movement of petroleum, short-range and long-range programming,

and the curtailment of civilian consumption.

Lacking time, critical material, and manpower, the oil industry in cooperation with the Petroleum Administration for War nevertheless succeeded in increasing crude oil production by a million barrels a day during the war. Under the direction of the Petroleum Administration for War, refining methods were improved. An outstanding accomplishment was the boosting of 100-octane production from 40,000 barrels daily to 514,000 barrels daily—which had a vital effect on the success of the war effort. The Petroleum Administration for War controlled fairly completely 100-octane in the United States and achieved what seemed impossible by mobilizing industry to pool and use all its facilities and raw materials as though they all belonged to one company. Despite many obstacles, the 100-octane program was successful in raising domestic production, and supplying sufficient aviation gasoline for the devastating attacks of the Army Air Forces.

On May 3, 1946, the Petroleum Administration for War was terminated, effective May 8, 1946, by Executive Order No. 9718.

132 ¶ The President Declares That W.P.A. Has Earned an "Honorable Discharge" and Announces Discontinuation of W.P.A. Projects.  
Letter to Federal Works Administrator.

December 4, 1942

IN MY ANNUAL Message to the Congress seven years ago I outlined the principles of a Federal work relief program. The Work Projects Administration was established in May, 1935, and it has followed these basic principles through the years. This Government accepted the responsibility of providing useful employment for those who were able and willing to work but who could find no opportunities in private industry.

Seven years ago I was convinced that providing useful work is superior to any and every kind of dole. Experience has amply justified this policy.

By building airports, schools, highways, and parks; by making huge quantities of clothing for the unfortunate; by serving millions of lunches to school children; by almost immeasurable kinds and quantities of service the Work Projects Administration has reached a creative hand into every county in this Nation. It has added to the national wealth, has repaired the wastage of depression, and has strengthened the country to bear the burden of war. By employing eight millions of Americans, with thirty millions of dependents, it has brought to these people renewed hope and courage. It has maintained and increased their working skills; and it has enabled them once more to take their rightful places in public or in private employment.

Every employable American should be employed at prevailing wages in war industries, on farms, or in other private or public employment. The Work Projects Administration rolls have greatly decreased, through the tremendous increase in private employment, assisted by the training and reemployment efforts of its own organization, to a point where a national work relief

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program is no longer necessary. Certain groups of workers still remain on the rolls who may have to be given assistance by the States and localities; others will be able to find work on farms or in industry at prevailing rates of pay as private employment continues to increase. Some of the present certified war projects may have to be taken over by other units of the Federal Works Agency or by other departments of the Federal Government. State or local projects should be closed out by completing useful units of such projects or by arranging for the sponsors to carry on the work.

With these considerations in mind, I agree that you should direct the prompt liquidation of the affairs of the Work Projects Administration, thereby conserving a large amount of the funds appropriated to this organization. This will necessitate closing out all project operations in many States by February 1, 1943, and in other States as soon thereafter as feasible. By taking this action there will be no need to provide project funds for the Work Projects Administration in the budget for the next fiscal year.

I am proud of the Work Projects Administration organization. It has displayed courage and determination in the face of uninformed criticism. The knowledge and experience of this organization will be of great assistance in the consideration of a well-rounded public works program for the postwar period.

With the satisfaction of a good job well done and with a high sense of integrity, the Work Projects Administration has asked for and earned an honorable discharge.

**NOTE:** Like other temporary New Deal agencies created to alleviate the cruel effects of the depression, the Work Projects Administration was a deeply maligned agency whose affirmative benefits to the Nation are beyond measure.

During its eight years of operation, the Work Projects Administration gave employment to more than 8,500,000 different persons. The W.P.A. (called the "Works

Progress Administration" until 1939) not only brought fuller employment to needy workers but also improved and expanded the physical facilities and the public services of countless thousands of communities from coast to coast. In the note to Item 7, pp. 40-49, 1940 volume, statistics are set forth on the accomplishments of the W.P.A. through December 31, 1940.

The tables at the close of this

### *132. "Honorable Discharge" to W.P.A.*

note include the physical accomplishments and public participation on the projects operated by the W.P.A., cumulative through June 30, 1943, the effective date of its termination. These figures indicate the enormous contribution made by W.P.A. in the construction and improvement of highways and bridges, the erection of school buildings and libraries, the building and improvement of airports and their facilities, and the immeasurable contribution to the culture of America through art, music, vocational training, and other types of education — to refer to only a few of W.P.A.'s wide variety of activities.

The W.P.A. not only served a useful purpose in stabilizing employment in the period of transition from peace to defense to war, but it also made a number of direct contributions to the success of the defense and war efforts. Close to 400,000, or 30 percent of the workers on W.P.A. on July 1, 1941, were engaged in defense projects, and this percentage rose until it was close to 40 percent at the time of Pearl Harbor. In the defense period, W.P.A. workers were engaged in the construction and improvement of access roads to military installations, strategic highways, and other transportation routes; they built and improved a number of military and civil airports; they constructed and improved National Guard and R.O.T.C. facilities; they aided the Army and the Navy in constructing barracks, mess halls, hospital buildings, warehouses, and other essen-

tial construction and improvement on military and naval reservations; and they performed important services in the vocational training of defense workers in such fields as airplane servicing, welding, riveting, ship and boat building, and foundry and forge work.

In the closing months of 1941, as the defense program was intensified, the number of persons employed on W.P.A. projects declined from 1,410,000 in June, 1941, to an average of slightly over a million in the months prior to Pearl Harbor. By March, 1942, the monthly average of W.P.A. workers had dipped below a million for the first time since October, 1935. The W.P.A. made an active effort during the war period to put its workers in touch with employment opportunities in navy yards, ordnance plants, agricultural work, and many other essential fields of employment.

By December, 1942, the number of W.P.A. workers had declined to 337,000 and the President felt that the manpower demands of the armed forces and the war program would effectively absorb the remaining unemployed, and that other agencies could carry on the residual construction and service activities then being conducted. One of the last of the war projects undertaken by W.P.A. was participation in the Nation-wide program sponsored by the War Production Board to remove abandoned streetcar rails. The contribution of W.P.A. to the salvage program from October, 1941, to April, 1943, was

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the collection of 148,000 tons of rail. Also, W.P.A. workers collected more than 376,000 tons of scrap metal and 10,000 tons of rubber in other collection campaigns sponsored by the War Production Board.

As directed by the President in the foregoing letter, project operations in many of the States were liquidated by February 1, 1943, and the remainder of the projects were closed in the following months. At the time the President issued the letter, 5,000 W.P.A. projects were in operation—6,000 less than on July 1, 1942. By April 30, 1943, the projects had been terminated in all States; the Congress provided for the continuance of a work program in Puerto Rico and the Virgin Islands for several months longer because of the serious wartime economic conditions in those areas. W.P.A. officially terminated its work on June 30, 1943.

For earlier discussions of the ac-

tivities and accomplishments of work relief under the Federal Emergency Relief Administration (F.E.R.A.), Civil Works Administration (C.W.A.), and the Work Projects Administration, see Items 21 (pp. 80-84), 55 (pp. 183-185), 75 (pp. 237-242), 155-A (pp. 456-459), and 161 (pp. 468-471), 1933 volume; Item 31 (pp. 108-111), 1934 volume; Items 86-A (pp. 282-287), 89 (pp. 291-294), and 116 (p. 344), 1935 volume; Items 36 (pp. 125-132), 37 (pp. 133-134), 41 (pp. 140-143), 42 (pp. 143-144), 47 (p. 159), 90 (pp. 264-269), 176 (pp. 480-489), 219 (pp. 594-595), and 240 (pp. 660-667), 1936 volume; and appended notes, and additional references cited in note to Item 7, p. 42, 1940 volume.

The following tables give a statistical summary of the physical accomplishments and public participation on the projects operated by the Work Projects Administration in the continental United States, cumulative through June 30, 1943:

132. "Honorable Discharge" to W.P.A.

PHYSICAL ACCOMPLISHMENTS AND PUBLIC PARTICIPATION ON  
PROJECTS OPERATED BY THE WORK PROJECTS ADMINIS-  
TRATION,<sup>1</sup> CONTINENTAL UNITED STATES, CUMULA-  
TIVE THROUGH JUNE 30, 1943

Item	Unit of measurement	Number
<b>HIGHWAYS, ROADS, STREETS, AND RELATED FACILITIES</b>		
Highways, roads, and streets—total.....	Miles.....	<u>651,087</u>
Rural roads—total.....	Miles.....	<u>572,353</u>
High-type surface—total.....	Miles.....	<u>56,697</u>
New construction.....	Miles.....	<u>34,965</u>
Reconstruction or improvement.....	Miles.....	<u>21,732</u>
Low-type surface and unsurfaced.....	Miles.....	<u>515,656</u>
Urban streets—total.....	Miles.....	<u>67,141</u>
High-type surface—total.....	Miles.....	<u>29,648</u>
New construction.....	Miles.....	<u>18,455</u>
Reconstruction or improvement.....	Miles.....	<u>11,193</u>
Low-type surface and unsurfaced.....	Miles.....	<u>37,493</u>
Other roads (in parks, etc.)—total.....	Miles.....	<u>11,593</u>
High-type surface—total.....	Miles.....	<u>3,039</u>
New construction.....	Miles.....	<u>1,924</u>
Reconstruction or improvement.....	Miles.....	<u>1,115</u>
Low-type surface and unsurfaced.....	Miles.....	<u>8,554</u>

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Item	Unit of measurement	New construction	Reconstruction or improvement
Bridges and viaducts, total.....	{ Number..... Linear feet.....	77,965 2,621,942	46,046 2,057,666
Wood.....	{ Number..... Linear feet.....	55,687 1,750,316	25,468 823,845
Steel.....	{ Number..... Linear feet.....	6,524 347,769	15,889 1,034,630
Masonry.....	{ Number..... Linear feet.....	15,754 523,857	4,689 199,191
Culverts.....	{ Number..... Linear feet.....	1,052,612 29,804,876	126,321 3,288,421
Roadside drainage ditch and pipe	Miles.....	78,526	84,347
Sidewalks and paths, total.....	Miles.....	23,607	6,972
Paved.....	Miles.....	20,162	5,165
Unpaved.....	Miles.....	3,445	1,807
Curbs.....	Miles.....	25,073	3,441
Gutters.....	Miles.....	5,428	800
Guardrails and guardwalls.....	Miles.....	3,367	1,544
Road and street lighting.....	{ Number of light standards..... Miles of road equipped....	30,556 838	69,474 1,641
Traffic signs erected.....	Number.....	937,282	.....
Traffic control line painted.....	Miles of line.....	5,269	.....
Roadside landscaping.....	Miles of road.....	.....	58,209
Car and railroad track removal.....	Miles.....	.....	2,555

Item	Unit of measurement	Number		
		New construction	Additions	Reconstruction or improvement
PUBLIC BUILDINGS, EXCLUDING UTILITY PLANTS AND AIRPORT BUILDINGS				
Public buildings, total.....	Number.....	35,064	4,792	85,254
Educational, total.....	Number.....	6,059	2,240	32,172
Libraries.....	Number.....	151	67	856
Schools.....	Number.....	5,908	2,173	31,316

132. "Honorable Discharge" to W.P.A.

Item	Unit of measurement	Number		
		New construction	Additions	Reconstruction or improvement
PUBLIC BUILDINGS, EXCLUDING UTILITY PLANTS AND AIRPORT BUILDINGS—Continued				
Recreational, total.....	Number.....	8,696	657	5,899
Auditoriums.....	Number.....	422	151	460
Gymnasiums.....	Number.....	1,255	286	749
Other.....	Number.....	7,019	220	4,690
Offices and administrative	Number.....	1,536	323	4,524
Hospitals.....	Number.....	226	156	2,168
Penal institutions....	Number.....	181	38	543
Dormitories.....	Number.....	1,473	59	5,951
Firehouses.....	Number.....	325	72	2,312
Garages.....	Number.....	2,522	231	2,036
Storage.....	Number.....	2,368	179	3,750
Armories.....	Number.....	357	65	488
Barns and stables....	Number.....	1,930	81	4,165
Other.....	Number.....	9,391	691	21,246
OUTDOOR RECREATIONAL FACILITIES				
Stadia, grandstands, and bleachers.....	Number.....	2,302	129	797
Fairgrounds and rodeo grounds	Number.....	52	5	280
Parks.....	Area in acres...	1,737	46	13,780
	Number.....	1,668	189	6,335
	Area in acres...	75,152	7,214	459,995
Playgrounds, total.....	Number.....	3,085	107	9,581
Schools.....	Number.....	1,851	86	8,217
Other.....	Number.....	1,234	21	1,364
Athletic fields.....	Number.....	3,026	68	2,457
Handball courts.....	Area in acres...	17,440	248	14,532
Horseshoe courts.....	Number.....	1,817	.....	157
Tennis courts.....	Number.....	2,261	.....	153
Swimming pools.....	Number.....	10,070	.....	3,086
	Surface area in square feet...	805	.....	339
Wading pools.....	Number.....	8,434,000	.....	5,500,000
	Surface area in square feet...	848	.....	81
		2,553,000	.....	344,000

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Item	Unit of measurement	Number		
		New construction	Additions	Reconstruction or improvement
<b>OUTDOOR RECREATIONAL FACILITIES—Continued</b>				
Ice skating areas.....	Number .....	1,101 .....		88
Ski trails.....	Miles .....	310 .....		54
Ski jumps.....	Number .....	65 .....		19
Bandshells.....	Number .....	228 .....		75
Outdoor theaters.....	Number .....	138 .....		34
Golf courses .....	{ Number .....	254 .....		372
	Number of holes .....	2,797 .....		4,969
	Area in acres ...	18,463 .....		37,646
<b>PUBLIC UTILITIES AND SANITATION</b>				
Utility plants, total.....	Number .....	2,877 .....	123	1,172
Electric power plants.....	Number .....	49 .....	17	171
Incinerator plants.....	Number .....	137 .....	2	63
Pumping stations.....	Number .....	1,394 .....	17	362
Sewage treatment plants.....	Number .....	1,021 .....	69	415
Water treatment plants ..	Number .....	276 .....	18	161
Water mains and distribution lines.....	Miles .....	16,117 .....		3,658
Water consumer connections.....	Number .....	419,737 .....		462,538
Water wells.....	Number .....	3,985 .....		1,954
Storage tanks, reservoirs, etc... ..	{ Capacity in gallons .....	2,300,286,000 .....		24,137,795,000
Storm and sanitary sewers .....	Miles .....	24,271 .....		3,364
Sewerage service connections.....	Number .....	595,675 .....		42,908
Manholes and catch basins.....	Number .....	815,292 .....		423,010
Sanitary privies.....	Number .....	2,309,239 .....		39,898
Mosquito control drainage.....	Miles of ditch and pipe .....	15,268 .....		22,572
Telephone and telegraph lines.....	Miles .....	3,904 .....		2,352
Police, fire-alarm, and traffic signal systems.....	Miles of line .....	1,606 .....		1,850
Electric power lines.....	Miles .....	3,358 .....		1,243
Pipe lines, other than water and sewer.....	Miles .....	727 .....		121

132. "Honorable Discharge" to W.P.A.

Item	Unit of measurement	Number		
		New construction	Additions	Reconstruction or improvement
<b>FLOOD AND EROSION CONTROL, IRRIGATION, CONSERVATION</b>				
Fish hatcheries.....	Number.....	161	135	159
Firebreaks.....	Miles.....	6,337	.....	914
Reforestation.....	Trees planted.....	.....	.....	176,636,000
Planting oysters.....	Bushels planted	8,210,967	.....	.....
Levees and embankments.....	Miles.....	591	.....	1,083
Jetties and breakwaters .....	Miles.....	193	.....	7
Bulkheads.....	Miles.....	169	.....	59
Retaining walls and revetments	Miles.....	1,820	.....	135
Riprap.....	Square yards of surface.....	17,323,000	.....	1,991,000
River bank and shore improvements.....	Miles.....	.....	.....	4,419
Streambed improvement.....	Miles.....	.....	.....	8,262
Irrigation systems.....	Miles of pipe and flume.....	1,351	.....	5,339
<b>AIRPORT AND AIRWAY FACILITIES</b>				
Landing fields.....	Number.....	353	131	469
	Areas in acres..	64,124	11,772	91,388
Runways, total.....	Linear feet.....	4,763,000	.....	* 1,162,000
High-type surface.....	Linear feet.....	3,435,000	.....	* 1683,000
Low-type surface.....	Linear feet.....	1,328,000	.....	* 479,000
Airport buildings, total.....	Number.....	1,192	180	2,827
Administrative and terminal.....	Number.....	142	29	115
Hangars.....	Number.....	244	16	364
Other.....	Number.....	806	135	2,348
Taxi strips, total.....	Linear feet.....	1,076,000	.....	* 53,000
High-type surface.....	Linear feet.....	876,000	.....	* 39,000
Low-type surface.....	Linear feet.....	200,000	.....	* 14,000
Aprons, total.....	Square yards...	4,240,000	.....	525,000
High-type surface.....	Square yards...	3,710,000	.....	518,000
Low-type surface.....	Square yards...	530,000	.....	7,000

*132. "Honorable Discharge" to W.P.A.*

Item	Unit of measurement	Number		
		New construction	Additions	Reconstruction or improvement
<b>AIRPORT AND AIRWAY FACILITIES—Continued</b>				
Turning circles.....	Square yards.....	1,229,000	.....	136,000
Airport drainage.....	Number of airports.....	266	.....	82
Airport drainage ditch and pipe.....	Linear feet.....	9,724,000	.....	724,000
Landing areas floodlighted.....	Number lighted.....	88	.....	22
Boundary lights.....	Number of light standards.....	17,889	.....	3,261
Seaplane ramps and landing platforms.....	Number.....	27	.....	3
Airway markers.....	Number.....	13,857	.....	3,772
Airway beacons.....	Number.....	90	.....	18
<b>MISCELLANEOUS</b>				
Landscaping, other than roadside and parks.....	Acres.....	.....	.....	211,240
Ornamental pools and fountains.....	Number.....	819	.....	76
Monuments and historic markers.....	Number.....	1,238	.....	147
Drainage (other than road, airport, and mosquito control).....	Miles of ditch and pipe.....	6,691	.....	17,948
Fencing.....	Miles.....	17,217	.....	23,298
Tunnels.....	Number.....	1,057	.....	158
	Linear feet.....	436,641	.....	100,253
	Number.....	364	.....	364
Docks, wharves, and piers.....	Feet of usable water front.....	133,000	.....	362,000
	Area in square feet.....	4,612,000	.....	22,098,000
Artificial channels, other than irrigation and drainage.....	Miles.....	98	.....	199

*132. "Honorable Discharge" to W.P.A.*

Item	Unit of measurement	Number
<b>EDUCATION ACTIVITIES <sup>3</sup></b>		
Adult education:		
Literacy and naturalization.....	Enrollees.....	98,646
Vocational training.....	Enrollees.....	55,412
Correspondence work.....	Enrollees.....	8,700
Homemaking and parent education.....	Enrollees.....	87,218
Other.....	Enrollees.....	165,746
Lectures and forums.....	Persons attending	59,985
Nursery schools.....	{ Schools.....	1,255
	Enrollees.....	35,229
Special instruction:		
Institutionalized and handicapped persons.....	Enrollees.....	6,719
Isolated persons.....	Enrollees.....	103
<b>MUSIC ACTIVITIES <sup>3</sup></b>		
Instruction.....	Enrollees.....	174,917
Concerts.....	{ Performances...	5,974
Radio broadcasts.....	{ Persons attending	2,423,217
	Number.....	112
<b>ART ACTIVITIES</b>		
Art instruction <sup>3</sup> .....	Enrollees.....	25,068
Art items completed: <sup>4</sup>		
Index of American Design plates.....	Number.....	21,765
Easel works.....	Number.....	108,099
Fine print designs.....	Number.....	11,285
Murals.....	Number.....	2,566
Sculptures.....	Number.....	17,744
<b>WELFARE ACTIVITIES</b>		
Sewing: <sup>4</sup>		
Garments produced, total.....	Number.....	382,756,000
Men's.....	Number.....	76,407,000
Women's.....	Number.....	86,425,000
Boys'.....	Number.....	67,325,000
Girls'.....	Number.....	78,117,000
Infants'.....	Number.....	45,344,000
Diapers.....	Number.....	29,138,000
Other articles produced.....	Number.....	117,794,000
Food preserving: <sup>4</sup>		
Quarts canned.....	Number.....	84,987,000
Pounds dried.....	Number.....	11,448,000
Housekeeping-aide services: Visits made <sup>5</sup> .....	Number.....	32,171,000

*132. "Honorable Discharge" to W.P.A.*

Item	Unit of measurement	Number
<b>WELFARE ACTIVITIES—Continued</b>		
School-lunch services: <sup>5</sup>		
6 months ending Dec. 31, 1942.....	Schools serviced	17,533
Cumulative through June 30, 1943.....	Lunches served..	79,281,000
Lunches served..		
1,237,133,000		
<b>PUBLIC HEALTH ACTIVITIES<sup>3</sup></b>		
Health and custodial institutions and health agencies assisted:		
Health institutions .....	Number.....	225
Custodial institutions.....	Number.....	66
Clinics .....	Number.....	314
Other health agencies.....	Number.....	501
Health agencies operated.....	Number.....	99
Tests and immunizations.....	Number.....	73,570
<b>LIBRARY ACTIVITIES<sup>6</sup></b>		
Library service systems operated .....	Number.....	270
Library service system units operated.....	Number.....	1,253
Independent libraries operated.....	Number.....	1,669
Libraries assisted.....	Number.....	4,383
<b>BOOK REPAIR</b>		
Books repaired or renovated <sup>4</sup> .....	Number.....	94,706,000

<sup>1</sup> Does not include accomplishment on Work Projects Administration projects operated by other Federal agencies and financed by allocation of Work Projects Administration funds.

<sup>2</sup> Includes surfacing.

<sup>3</sup> Data relate to the month of January 1942.

<sup>4</sup> Reports for this activity were not received for the fiscal year 1943 from a few States.

<sup>5</sup> Reports of this activity from a few States were incomplete for the fiscal year 1943.

<sup>6</sup> Data relate to the 3 months ending June 30, 1942.

133 ¶ Delegation of Authority Over the Food Program. Executive Order No. 9280.

December 5, 1942

By VIRTUE of the authority vested in me by the Constitution and the statutes of the United States, as President of the United States and Commander in Chief of the Army and Navy, and in order to assure an adequate supply and efficient distribution of food to meet war and essential civilian needs, it is hereby ordered as follows:

1. The Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized and directed to assume full responsibility for and control over the Nation's food program. In exercising such authority, he shall:

(a) Ascertain and determine the direct and indirect military, other governmental, civilian, and foreign requirements for food, both for human and animal consumption and for industrial uses.

(b) Formulate and carry out a program designed to furnish a supply of food adequate to meet such requirements, including the allocation of the agricultural productive resources of the Nation for this purpose.

(c) Assign food priorities and make allocations of food for human and animal consumption to governmental agencies and for private account, for direct and indirect military, other governmental, civilian, and foreign needs.

(d) Take all appropriate steps to insure the efficient and proper distribution of the available supply of food.

(e) Purchase and procure food for such Federal agencies, and to such extent, as he shall determine necessary or desirable, and promulgate policies to govern the purchase and procurement of food by all other Federal agencies: *Provided*, that nothing in this subsection shall limit the authority of the armed forces to purchase or procure food outside the United States or in any theater of war as such purchase and procurement shall

be required by military or naval operations, or the authority of any other authorized agency to purchase or procure food outside the United States for rehabilitation or relief purposes abroad. Existing methods for the purchase and procurement of food by other Federal agencies shall continue until otherwise determined by the Secretary pursuant to this Executive Order.

2. The Secretary shall recommend to the Chairman of the War Production Board the amounts and types of non-food materials, supplies, and equipment necessary for carrying out the food program. Following consideration of these recommendations, the Chairman of the War Production Board shall allocate stated amounts of non-food materials, supplies, and equipment to the Secretary for carrying out the food program; and the War Production Board, through its priorities and allocation powers, shall direct the use of such materials, supplies, and equipment for such specific purposes as the Secretary may determine.

3. Whenever the available supply of any food is insufficient to meet both food and industrial needs, the Chairman of the War Production Board and the Secretary shall jointly determine the division to be made of the available supply of such food. In the event of any difference of view between the Chairman of the War Production Board and the Secretary, such difference shall be submitted for final determination to the President or to such agent or agency as the President may designate.

4. The Secretary, after determining the need and the amount of food available for civilian rationing, shall, through the Office of Price Administration, exercise the priorities and allocation powers conferred upon him by this Executive Order for civilian rationing, with respect to (a) the sale, transfer, or other disposition of food by any person who sells at retail to any person, and (b) the sale, transfer, or other disposition of food by any person to an ultimate consumer, as is currently provided for in War Production Board Directive No. 1, dated January 24, 1942, and existing supplements thereto; and with respect to (c) the

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sale, transfer, or other disposition of food by any person at such other levels of distribution as he may determine; and in the administration or enforcement of any such priorities or allocation authority for civilian rationing, the Office of Price Administration, subject to the provisions of this Executive Order, is hereby authorized to exercise all the functions, duties, powers, authority, or discretion conferred upon the Price Administrator by Section 3 of Executive Order No. 9125 of April 7, 1942. The Secretary, before determining the time, extent, and other conditions of civilian rationing, shall consult with the Price Administrator.

5. In discharging his responsibility under this Executive Order with respect to the exportation of food, the Secretary shall collaborate with the other agencies concerned with the foreign aspects of the food program in the determination of plans, policies, and procedures for the feeding of the peoples in foreign countries and the production and stock-piling of food for use abroad. With respect to the issuance of the directives for the importation of food heretofore issued to the Board of Economic Warfare by the Chairman of the War Production Board under Executive Order No. 9128 of April 13, 1942, the Secretary shall issue those directives which relate to the importation of food for human and animal consumption, and the Chairman of the War Production Board and the Secretary shall jointly issue those directives which relate to the importation of food for industrial uses. The Chairman of the War Production Board shall continue to issue all other directives which relate to the importation of materials, supplies, and equipment required for the war production program and the civilian economy. Schedules of priorities heretofore prepared and issued by the Chairman of the War Production Board under Executive Order No. 9054 of February 7, 1942, for the importation by overseas transportation of food for human or animal consumption and for industrial uses shall be similarly issued, and transmitted to the Administrator of War Shipping Administration for his guidance.

6. In discharging his responsibility under this Executive

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Order, the Secretary shall, in the event of a shortage of domestic transportation service, and after consultation with the War Production Board for the purpose of adjusting the relative demands for the movement of food for human or animal consumption and the movement of commodities for other purposes, prepare schedules of priorities for the domestic movement of food, which the Office of Defense Transportation shall take into consideration in determining traffic movements.

7. a. To advise and consult with him in carrying out the provisions of this Executive Order, the Secretary shall appoint a committee composed of representatives of the State, War, and Navy Departments, the Office of Lend-Lease Administration, the Board of Economic Warfare, the War Production Board, and such other agencies as the Secretary may determine to be concerned with the food program. The Food Requirements Committee of the War Production Board established by the Chairman of the War Production Board by memorandum dated June 4, 1942, is abolished effective as of the date of appointment of said advisory committee. The Secretary shall receive from the members of such advisory committee estimates of food requirements, and consult with such committee prior to the making of food allocations under Section 1 (c) of this Executive Order. Such committee shall perform such other functions in connection with the food program as the Secretary may determine. The Secretary may, in his discretion, appoint such other advisory committees composed of representatives of governmental or private groups interested in the food program as he deems appropriate.

b. Section 1 of Executive Order No. 9024, dated January 16, 1942, is amended to provide that the Secretary shall be a member of the War Production Board.

8. The Secretary, in carrying out the responsibilities imposed on him by this Executive Order, may, subject to the provisions of this Executive Order, exercise the following powers in addition to the powers heretofore vested in him.

(a) The power conferred upon the Department of Agri-

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culture with respect to contracts by Executive Order No. 9023 of January 14, 1942.

(b) The power conferred upon the President by Title III of the Second War Powers Act, 1942, insofar as it relates to priorities and allocations of (1) all food for human or animal consumption or for other use in connection with the food program, but excluding that food which has been determined to be available to the War Production Board for industrial purposes pursuant to Section 3 of this Executive Order; (2) those portions of non-food materials, supplies, and equipment which have been allocated by the War Production Board under Section 2 of this Order for carrying out the food program; (3) any other material or facility, when the Secretary determines that it is necessary, in order to carry out the provisions of this Executive Order, to exercise the priorities or allocation power with respect thereto: *Provided*, that in order to avoid overlapping and conflicting action, prior to taking action pursuant to item (3) hereof, the Secretary shall inform the Chairman of the War Production Board of the action proposed to be taken, and in the event that the Chairman of the War Production Board shall object, the issue shall be determined by the President or such agent or agency as he may designate. Contracts or orders, relating to the materials and facilities specified in this subsection, made by the Secretary, or by any other officer or agency of the Government at the Secretary's direction, and subcontracts and suborders which the Secretary shall deem necessary or appropriate to the fulfillment of any such contract or order, are hereby declared to be necessary and appropriate to promote the defense of the United States. The Secretary may assign priorities with respect to deliveries under any such contract, order, subcontract, or suborder, and he may require acceptance of and performance of any such contract, order, subcontract, or suborder, in preference to other contracts or orders for the purpose of assuring such priority. Allocations of materials and facilities under this subsection may be made by the Secretary in such manner,

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upon such conditions, and to such extent as he shall deem necessary or appropriate in the public interest, to promote the national defense, and to carry out the provisions of this Executive Order.

(c) The powers under the Act of October 10, 1940 (54 Stat. 1090), as amended by the Act of July 2, 1942 (56 Stat. 467), and the Act of October 16, 1941 (55 Stat. 742), as amended by Title VI of the Second War Powers Act, 1942, heretofore vested in the War Production Board by Executive Order No. 8942 of November 19, 1941, Executive Order No. 9024 of January 16, 1942, and Executive Order No. 9040 of January 24, 1942, with respect to the requisitioning of food for human or animal consumption.

(d) The powers of acquisition of property under the Act of July 2, 1917 (40 Stat. 241), as amended by Title II of the Second War Powers Act, 1942.

(e) The powers of taking over and operating facilities under Section 120 of the National Defense Act of 1916 (39 Stat. 213) and Section 9 of the Selective Training and Service Act of 1940 (54 Stat. 892).

(f) The powers with respect to anti-trust prosecutions vested in the Chairman of the War Production Board by Section 12 of the Act of June 11, 1942, Public Law 603, 77th Congress.

(g) The power of inspection and audit of the war contractors (including the power of subpoena) under Title XIII of the Second War Powers Act, 1942.

9. The Secretary is authorized to delegate any or all functions, responsibilities, powers (including the power of subpoena), authorities, or discretions conferred upon him by this Executive Order to such person or persons within the Department of Agriculture as he may designate or appoint for that purpose. The Secretary may, except as otherwise provided herein, delegate to any appropriate Federal, State, or local governmental agency, officer, or employee, in such manner and for such periods of time as he shall deem advisable, the execution of any of the provisions of this Executive Order together with any powers of the

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Secretary under this Executive Order. To the fullest extent compatible with efficiency the Secretary shall utilize existing facilities and services of other governmental departments and agencies and may accept the services and facilities of any State or local governmental agency in carrying out his responsibilities defined hereunder.

10. As used herein, the term "food" shall mean all commodities and products, simple, mixed, or compound, or complements to such commodities or products that are or may be eaten or drunk by either humans or animals, irrespective of other uses to which such commodities or products may be put, and at all stages of processing from the raw commodity to the product thereof in a vendible form for immediate human or animal consumption, but exclusive of such commodities and products as the Secretary shall determine. For the purposes of this Executive Order, the term "food" shall also include all starches, sugars, vegetable and animal fats and oils, cotton, tobacco, wool, hemp, flax fiber, and such other agricultural commodities and products as the President may designate.

11. In the event of any difference of view arising between the Secretary and any other officer or agency of the Government, in the administration of the provisions of this Executive Order, such difference of view shall be submitted for final decision to the President or such agent or agency as the President may designate.

12. The personnel, property, records, unexpended balances of appropriations, allocations, and other funds of the War Production Board primarily concerned with and available for, as determined by the Director of the Bureau of the Budget, the discharge of any of the functions, responsibilities, powers, authorities, and discretions that are vested in the Secretary by this Executive Order are hereby transferred to the Department of Agriculture. In determining the amounts transferred hereunder, allowance shall be made for the liquidation of obligations previously incurred against such balances of appropriations, allocations, or other funds transferred.

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13. To facilitate the effective discharge of the Secretary's responsibility under this Executive Order, the following changes are made within the Department of Agriculture:

a. The Agriculture Conservation and Adjustment Administration (except the Sugar Agency), the Farm Credit Administration, the Farm Security Administration, and their functions, personnel, and property; the functions, personnel, and property of the Division of Farm Management and Costs of the Bureau of Agricultural Economics concerned primarily with the planning of current agricultural production; the functions, personnel, and property of the Office of Agricultural War Relations concerned primarily with the production of food; and the functions, personnel, and property established in or transferred to the Department by this Executive Order that are concerned primarily with the production of food, are consolidated into an agency to be known as the Food Production Administration of the Department of Agriculture. The Food Production Administration shall be under the direction and supervision of a Director of Food Production appointed by the Secretary.

b. The Agricultural Marketing Administration, the Sugar Agency of the Agricultural Conservation and Adjustment Administration, and their functions, personnel, and property; the functions, personnel, and property of the Bureau of Animal Industry of the Agricultural Research Administration concerned primarily with regulatory activities; the functions, personnel, and the property of the Office of Agricultural War Relations concerned primarily with the distribution of food; and the functions, personnel, and property established in or transferred to the Department of Agriculture by this Executive Order that are concerned primarily with the distribution of food are consolidated into an agency to be known as the Food Distribution Administration of the Department of Agriculture. The Food Distribution Administration shall be under the direction and supervision of a Director of Food Distribution appointed by the Secretary.

c. So much of the unexpended balances of appropriations,

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allocations, or other funds available (or to be made available) for the use of any agency in the exercise of any function transferred or consolidated by subsections a. and b. of this section or for the use of the head of any agency in the exercise of any function so transferred or consolidated, as the Director of the Bureau of the Budget shall determine, shall be transferred for use in connection with the exercise of the function so transferred or consolidated. In determining the amount to be transferred, the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such balances of appropriations, allocations, or other funds prior to the transfer.

14. Any provision of any Executive Order or proclamation conflicting with this Executive Order is superseded to the extent of such conflict. All prior directives, rules, regulations, orders, and similar instruments heretofore issued by any Federal agency which affect the subject matter of this Executive Order shall continue in full force and effect unless and until withdrawn or superseded by or under the direction of the Secretary under the authority of this Order. Nothing in this Order shall be construed to limit the powers exercised by the Economic Stabilization Director under Executive Order No. 9250 dated October 3, 1942, as amended. Nothing in this Order shall be construed to limit the power now exercised by the Price Administrator under the Emergency Price Control Act of 1942, Public Law No. 421, 77th Congress, as amended, or the Act of October 2, 1942, Public Law No. 729, 77th Congress.

**NOTE:** Not until after Pearl Harbor did it become clear that the United States, as a result of wartime requirements for itself and its allies, would suffer shortages in food supply and possible maldistribution of food. Between 1939 and 1941, many European markets which had previously consumed our food were cut off as a result of the war abroad.

With agricultural production mounting in this country it appeared most unlikely that we would run short of food. Nevertheless, shortages did occur; and, after Pearl Harbor, it became necessary to create mechanisms for handling food problems.

The shortages came as a result of a number of circumstances. First,

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the Pacific sources of sugar, oil, fruit, and other foodstuffs were cut off after Pearl Harbor. Second, our armed forces, which grew to over 10,000,000 men and women, consumed greater amounts of meat, butter, eggs, cheese, fruit, vegetables, and other foods than they did when they were civilians — much greater than the civilian average per-capita consumption. Third, as the war progressed, hunger and malnutrition abroad made new demands upon our own food production, and it became necessary to supply American-produced food for liberated and subjugated populations. And fourth, here at home, with incomes and purchasing power at record levels and with consumer items like cars and washing machines removed from the market during wartime, families were devoting a greater proportion of their income to the purchase of food. For the first time, many lower-income groups had sufficient funds to maintain adequate diets and to buy products which they had been unable to afford before.

Following the Nazi invasion of the Low Countries, the President had appointed the Advisory Commission to the Council of National Defense (see Item 53, pp. 243-250, 1940 volume; and Item 154 and note, pp. 689-702, 1940 volume). The Agricultural Division (see p. 699, 1940 volume) of the National Defense Advisory Commission, in collaboration with the Department of Agriculture, sought to maintain

an adequate food supply and deal with other agricultural matters growing out of the defense crisis. In the spring of 1941, the President began to build a firmer defense structure by substituting new agencies for the various divisions of the National Defense Advisory Commission.

In line with this policy, the Agricultural Division was abolished in May, 1941, and there was established an Office of Agricultural Defense Relations in the Office of the Secretary of Agriculture. A letter from the President to the Secretary of Agriculture at this time described the wartime job of the Department of Agriculture as:

"First, the guarantee of an adequate supply of food for the needs of this Nation and supplemental needs of those Nations whose defense is essential to this country, and, second, the provision of sufficient agricultural raw materials for expanded defense production."

During the early part of 1942, the responsibility for food supply and distribution became diffused among a number of agencies. For example, several branches of the War Production Board exercised food functions, such as: the formulation of estimates of food and fiber requirements for industrial purposes; allocation of critical materials to manufacturers of farm machinery; and assignment of scarce shipping space for importing agricultural products in short supply.

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The Commodity Credit Corporation and the Agricultural Marketing Administration of the Department of Agriculture continued to control the procurement and distribution of surplus agricultural commodities. After the passage of the Emergency Price Control Act of 1942, the Secretary of Agriculture and the Price Administrator shared responsibility for issuing maximum price regulations affecting agricultural commodities. The Selective Service System controlled the amount of farm labor which could be taken for military service. To meet the consequent farm labor shortage the Secretary of Agriculture and later the War Food Administrator, brought in annually between 75,000 and 100,000 workers from Mexico, Jamaica, and the Bahamas, and used them seasonally throughout the country. Various agencies concerned with our foreign relations controlled the procurement of foreign supplies and the shipment of food to allies and friendly neutral countries.

Under this diffusion of administrative authority, no single agency could be held responsible for planning for future emergencies in food supply. This made no substantial difference when there was a relative abundance of food available. But as the year 1942 progressed it became apparent that a greater concentration of administrative authority was needed if the United States was to continue to have an

adequate supply and proper distribution of food.

Further, interagency disagreements, particularly between the Department of Agriculture and the Office of Price Administration, emphasized the need of a central food agency. Differences between the O.P.A. and the Department of Agriculture were over the levels at which maximum prices should be fixed, the extent of farmer liability under the penalty provisions of price regulations, and the relationship to be established between O.P.A. food price ceilings and Department of Agriculture crop loans and price support programs.

Under Executive Order No. 9250, establishing the Office of Economic Stabilization (see Item 97 and note, this volume), the Economic Stabilization Director was given authority to settle differences between the Department of Agriculture and the Office of Price Administration. Yet there was a strong move both in and out of Congress, and within the War Production Board, for the establishment of a "food czar" with centralized powers over the direction of the food program and all its phases. This was in line with other situations during the war when demand was made in some quarters for the appointment of "czars" — in rubber, in steel, in manpower, and in other fields.

The President recognized that the creation of a food czar might create more problems than it would solve. For example, it would

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provide additional conflicts with agencies handling transportation and manpower problems. To give a food czar the authority to direct the transportation of a carload of food which he deemed necessary for the prosecution of the war might directly interfere with the transportation of a carload of steel and of many other items equally necessary for the war. Advocates of a food czar and of other kinds of czars overlooked the fact that the various elements of the war program had to be maintained in balance in order to prosecute the war most successfully.

Nevertheless, the President recognized that the time had come to develop a more coordinated and simplified administrative organization to direct the food supply and distribution.

Under the terms of the foregoing Executive Order, war food policies were centralized under the Department of Agriculture. Those operating agencies of the Department of Agriculture concerned primarily with production were combined into a new Food Production Administration, and those agencies concerned primarily with distribution were transferred to a new Food Distribution Administration. Both Administrations remained under the Department of Agriculture.

Following the issuance of the Executive Order, the Food Requirements Committee of the War Production Board, which had carried on one phase of the food program

during early 1942, was abolished and a Food Advisory Committee to the Secretary of Agriculture was appointed. This Food Advisory Committee included representatives of the military services, State Department, Office of Lend-Lease Administration, and Board of Economic Warfare, as well as former War Production Board personnel concerned with food problems — in fact, all the agencies which had claims upon our food supply with which to carry out their particular responsibilities.

By Executive Order No. 9322, dated March 26, 1943, the Food Production Administration, the Food Distribution Administration, the Commodity Credit Corporation and the Extension Service were consolidated into an Administration of Food Production and Distribution to be placed under the direction and supervision of an administrator to be appointed by the President and directly responsible to him. By Executive Order No. 9334, dated April 19, 1943, the new administration was renamed the War Food Administration, with greatly broadened powers, and an administrator was appointed by the President.

The War Food Administrator was responsible for the procurement, storage, packaging, transportation, and delivery of food and other agricultural products to ship-side for our allies under the Lend-Lease program, amounting to more than an average value of five million dollars per day. He also,

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through allocation and priority orders, assured the armed forces of an adequate supply of essential foods.

After the latter part of 1943 the War Food Administrator also served as Chairman of the Combined Food Board.

One of the most perplexing problems with which the War Food Administration dealt was the programming of agricultural production in such a way as to stimulate the farmers to produce adequate amounts of essential foods. In carrying forward this program, the War Food Administration was faced with many complexities, as several million small producers were difficult to control, and the traditionally independent farmer was naturally accustomed to following his own notions of what crops to grow and how to grow them.

In spite of these difficulties, the shortage of manpower and inadequate machinery, the United States, during the years 1943, 1944, and 1945 had the greatest food production in the history of the country.

The War Food Administration utilized other civilian, military, and international agencies in arriving at estimates of the food requirements for civilians, armed forces, and foreign countries. Once these requirements were established, they

were converted into production goals for each important farm product. After national production goals were set, State and county goals were established. These were translated into goals for each individual farm, with the assistance of the county representatives of the Agricultural Adjustment Agency. Commodity loans, price supports, direct Government purchases, and subsidies or incentive payments were used to induce farmers to grow those crops which were most needed for the war rather than the crops which the farmers would otherwise have preferred.

The President appointed Chester C. Davis as the first War Food Administrator. Mr. Davis resigned on June 16, 1943 (see Item 70, 1943 volume) and was succeeded by Marvin Jones, who served continuously until after the ending of hostilities in Europe. On May 22, 1945, after such hostilities had ceased, Judge Jones resigned and recommended to the President that the War Food Administration be merged with the Department of Agriculture, and that its further functions, duties and powers be transferred to the Secretary. This was accordingly done by Executive Order No. 9577, under date of June 29, 1945.

## 134 ¶ The President Offers a Toast at the State Dinner for the President of Cuba.

December 8, 1942

BACK in March, 1933, there was some talk about our relationship with our neighbors, which I suppose includes not only our farthest neighbors, say in the Argentine, but also the nearest neighbor we have, in Cuba.

Everybody in this country at least, and I think in other parts of the world, appreciated the ideal of the Good Neighbor. But they were words only; the ideal had never been fulfilled. And in the summer of 1933 there were many reasons for it. And then there was serious trouble in our nearest neighbor.

The main point I want to make is that when these troubles occurred in Havana, an unprecedented meeting was called at the Executive Offices. At that meeting we had all the Ambassadors and Ministers of all the American Republics.

And I said to them, speaking as a liberal, and very simply, "I think the time has come to recognize the practical exposition of the Good Neighbor Policy. I want to take this occasion to tell you that under a somewhat ancient treaty between the United States and Cuba we are compelled by that treaty, known as the Platt Amendment, to go into Cuba — a land of free people, and one we helped to free and set up as a sovereign Nation — and restore order."

And I said, "Gentlemen, I am not going to do it. I am not going to apply the Platt Amendment. I am not going to send either the Army or the Navy to restore order in Cuba."

Well, there was a lifting of eyebrows among a good many of these nineteen other envoys. What is this new President of the United States going to do?

I said, "I am going to exercise the Good Neighbor Policy, because this is the first chance I have to put it into practical effect. If any Americans want to leave Cuba, they will have every opportunity. If any Americans want to get out, they can go down to

*134. Toast to President of Cuba*

the nearest port, and they will find a revenue cutter or a patrol boat of some kind that will take them on board and take them out. I am not going to land a single American soldier or sailor on the soil of the Cubans. I think this is an internal matter, which Cuba is fully competent to settle."

Well, that was the beginning. I think the Bible says, "By their fruits shall ye know them."

And that particular act, throughout all the American Republics, did have an effect, because the United States proved in a practical way that it could apply the doctrine of the Good Neighbor.

Somebody in the paper, a few days ago, called it by a new term, which I think is rather good; he called it not just the policy of the Good Neighbor, but the policy of the Good Partner. In other words, all of these Republics of ours are not just neighbors. We are partners for the common good — all of us.

We are recognizing more and more that the word "partner" means that any country — on either hemisphere — cannot be happy and prosperous until all the hemisphere is happy and prosperous; that if one Nation of the 21 — of the 22, if we include our neighbor Canada — is unhappy and full of unrest, in a serious depression which affects the lives of all their people, that that affects the happiness and the prosperity of all the other 20, or 21.

And on this dais I see a young man, and I think he had a vision. He was an Army officer, and he took part in that revolution of 1933 in a very modest way. Today the Cuban people are very happy that he is holding the office of Chief Magistrate of the Republic of Cuba.

And so while he is not entirely a stranger with us — he has been here before — we received him as a Major General in command of the Armies of Cuba — we are now very happy to have him come back to us as the President of our nearest neighbor, the Republic of Cuba; and I drink his health.

## 135 ¶ The President's Christmas Eve Message.

December 24, 1942

THIS year I am speaking on Christmas Eve not to this gathering at the White House only but to all of the citizens of our Nation, to the men and women serving in our American armed forces and also to those who wear the uniforms of the other United Nations.

I give you a message of cheer. I cannot say "Merry Christmas" — for I think constantly of those thousands of soldiers and sailors who are in actual combat throughout the world — but I can express to you my thought that this is a happier Christmas than last year in the sense that the forces of darkness stand against us with less confidence in the success of their evil ways.

To you who toil in industry for the common cause of helping to win the war, I send a message of cheer — that you can well continue to sacrifice without recrimination and with a look of Christmas cheer — a kindly spirit toward your fellow men.

To you who serve in uniform I also send a message of cheer — that you are in the thoughts of your families and friends at home, and that Christmas prayers follow you wherever you may be.

To all Americans I say that loving our neighbor as we love ourselves is not enough — that we as a Nation and as individuals will please God best by showing regard for the laws of God. There is no better way of fostering good will toward man than by first fostering good will toward God. If we love Him we will keep His Commandments.

In sending Christmas greetings to the armed forces and merchant sailors of the United Nations we include therein our pride in their bravery on the fighting fronts and on all the seas. But we remember in our greetings and in our pride those other men who guard remote islands and bases and will, in all probability, never come into active combat with the common enemy. They are stationed in distant places far from home.

*135. Christmas Eve Message*

They have few contacts with the outside world, and I want them to know that their work is essential to the conduct of the war — essential to the ultimate victory — and that we have not forgotten them.

It is significant that tomorrow — Christmas Day — our plants and factories will be stilled. That is not true of the other holidays we have long been accustomed to celebrate. On all other holidays work goes on — gladly — for the winning of the war.

So Christmas becomes the only holiday in all the year.

I like to think that this is so because Christmas is a holy day. May all it stands for live and grow throughout the years.



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*(Index by Dr. Kenneth W. Hechler)*







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